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CSCE Foreign Ministers Continue Talks

Bessmertnykh Confers With Baker

LD2006170391 Moscow TASS International Service in Russian 1[illegible]3 GMT 20 Jun 91

[By TASS special correspondents Mikhail Voronenkov, Konstantin Savvin, and Georgiy Shmelev]

[Text] Berlin, 20 Jun (TASS)—In the Berlin residence of the U.S. ambassador, a meeting between USSR Foreign Minister Aleksandr Bessmertnykh and U.S. Secretary of State James Baker has ended. For two and a half hours the heads of the foreign policy departments of the USSR and the United States discussed a range of problems, primarily concerning the signing of a treaty on reducing strategic offensive weapons. Both ministers noted "significant progress" in the solution of those problems concerning strategic offensive weapons still open. In the opinion of A. Bessmertnykh and J. Baker, it is completely realistic "to find this solution in the course of the next few weeks." The ministers noted that these problems are of a purely technical nature. They stated that expert groups are beginning work in Geneva in the next few days, and they have been instructed to accelerate the search for a solution to these problems.

The ministers confirmed that the Soviet and American sides are striving to hold a summit meeting "as soon as possible," underscoring that the heads of the USSR and the United States intend to sign the treaty on strategic offensive weapons at this summit.

According to both heads of foreign policy departments, the problems of bilateral relations were also discussed, as were questions of cooperation between the two countries, and certain regional problems including a settlement in the Near East and in Latin America. The situation surrounding Afghanistan as well as certain African problems were also studied. The ministers noted the productive and useful nature of the talks that took place, not dismissing the possibility of a new meeting soon.

'Considerable Progress' in Arms Talks

LD2006220991 Moscow All-Union Radio Mayak Network in Russian 1930 GMT 20 Jun 91

[Telephone report by correspondent Viktor Levin from Berlin]

[Summary From Poor Reception] Viktor Levin introduces a voice excerpt of USSR Foreign Minister Aleksandr Bessmertnykh speaking to reporters.

"We have been discussing precisely the basic problems with which this summit will be filled. Therefore, progress, from the point of view of moving toward the summit, is predetermined by our accords on these issues. We have made considerable progress with regard to the problems of the treaty on strategic offensive weapons, although several technical questions remain. I think that during the remaining week we will be able to close certain—and perhaps all—of the existing problems, and by this token ensure the timely holding of the summit between the leaders of the USSR and the United States."

Levin quotes Aleksandr Bessmertnykh as saying that work on the strategic offensive nuclear weapons treaty could be finished in a few weeks, and makes general comments on the content of their conversation. Levin concludes that "useful, good work has been done."

Comments on Foreign Ministers Meeting

LD2006203491 Moscow All-Union Radio Mayak Network in Russian 1630 GMT 20 Jun 91

[Interview with Foreign Minister A.A. Bessmertnykh by Mayak diplomatic correspondent Viktor Levin, after the CSCE foreign ministers council meeting, in Berlin on 20 June—recorded]

[Text] [Levin] Aleksandr Aleksandrovich, could you characterize briefly for Mayak the importance of the CSCE session that has taken place?
[Bessmertnykh] I think that this session, the first in the history of Europe, was of great importance for several reasons. The first reason for describing it as important is that fundamental problems of the development of Europe have been discussed, several important decisions have been made, including structural ones, and new mechanisms have been created, including mechanisms relating to emergency circumstances that might appear in Europe and intended to provide assistance to any country that finds itself in trouble. Moreover, these emergency circumstances will not be connected in the least with the development of internal political situations in any European country.

Second, I would like to stress that the council was held in an unusual atmosphere. It was very businesslike and very constructive and ministers became used to having a normal, so to speak, dialogue without making long posturing speeches. There were 35 of us ministers this time, as Albania was accepted as the 35th member of the CSCE at the first sitting. Nevertheless we managed to discuss the main European problems. What I would like to say specially is that now we are at an initial stage of conceptual consideration with respect to ways of creating European structures. Of course, the tendency is strong among some Western leaders to preserve what they have accumulated and to depict some West European institutions as being all-European ones. Something, evidently, will remain of what has been and of what is justified by life. Our position is that it is necessary to subordinate the development of European processes to all-European structures. Everything should be dominated by the ideas of a single Europe and of an individual Europe in all respects, a Europe which is permeated by, so to speak, spaces—economic, ideological, legal, technical, ecological, and so on. Therefore it is just this universality, as it were, of the idea that should be predominant.

So when someone says, for instance, that NATO should become the cornerstone of European processes, we object to that and believe that NATO can continue to exist in the transitional period in Europe, but if this is to be a cornerstone then there will be a risk that the European processes will stumble on this stone in the future. So we set out our vision of the prospects for European development, and above all, of course, there were specific reflections by the ministers on the development of economic matters and cooperation. We voiced our dissatisfaction over the fact that the second basket of the all-European process is virtually empty. Few projects are being worked on at an all-European level. These are virtually nonexistent. So we did indeed say that, in ridding Europe of political and ideological barriers, we should not be creating a Europe divided by material differences and discrepancies in material levels, and so on.

By and large, however, this is the start of a good dialogue, the start of a good dialogue at such a level. The next meeting is to be held in Prague early next year, so that the dialogue at this high level has made strides, and, all told, the Council of European Foreign Ministers is evidently going to be one of the basic institutions sufficiently capable of conducting business to enable it to make decisions, sufficiently broad to discuss any agenda, and sufficiently constructive, because all the foreign affairs ministers are geared up for dialogue.

[Levin] Aleksandr Aleksandrovich, you mentioned the second basket—if I am not mistaken, that is economic relations.
[Bessmertnykh] I was talking precisely of economic relations. The economic basket has so far been insufficiently filled with ideas and projects from the point of view of an all-European approach. So the basket still needs to be filled. Many other ministers also said that economic cooperation had to be embarked on more seriously at an all-European level. We of course have bilateral ties with practically all the European countries. We also need to have all-European projects which could promote these bilateral relations, and, conversely, bilateral relations could accompany the creation of all-European economic programs. So I think that the combination of the two will enable us to embark on more intensive cooperation in this sphere.

Meets With Hurd, Dumas

LD2006224991 Moscow TASS International Service in Russian 1955 GMT 20 Jun 91

[By TASS correspondents Konstantin Savvinn and Georgiy Shmelev]

[Excerpt] [passage omitted] In a conversation between British Foreign Minister D. Hurd and A.A. Bessmertnykh, the main attention was paid to preparations for the coming meeting in London between M.S. Gorbachev and the G-7 leaders, where the principal issues of a search for the most effective ways of integrating the Soviet economy into the world economic system will be discussed. The ministers also touched upon the situation in the Persian Gulf region and other international and bilateral issues.

During the meeting between French Foreign Minister R. Dumas and A.A. Bessmertnykh it was stated that in light of the discussions in Berlin, the two parties' approaches on the building of a new Europe based on the proximity of the conceptions of a European home and of a European confederation coincide to a high degree. It was agreed that close consultation on the practical realization of this will be maintained.

It was underlined that the recent meeting between the presidents of the USSR and France which took place in Novo-Ogarevo confirmed the high level of relations between the two countries. This must be used for further progress in concrete fields of cooperation, particularly in intensifying economic links.

An exchange of opinions on the state of affairs in the Near East took place.

Bessmertnykh and Canadian Minister for External Relations B. McDougall considered the prospects for the development of Soviet- Canadian cooperation in the political, economic, and other fields. Among other questions, prominence was given to the growing activity of the United Nations in the modern world.

A conversation between Bessmertnykh and Swiss Foreign Minister R. Felber touched on, in addition to major international problems, concrete aspects of Soviet-Swiss exchanges, specifically the question of studying the experience of Swiss federalism.

Having expressed gratitude for Switzerland's help for the victims of Chernobyl, the Soviet minister drew attention to international efforts in that field and to the activities of the representatives of Belorussia, the Ukraine, and Russia to mobilize them.

During Bessmertnykh's conversation with Cypriot Minister of Foreign Affairs Y. Iakovou, stress was laid on the need to use the international climate of cooperation that has developed and is embodied, specifically, in Soviet-American interaction, to resolve the Cyprus problem. In addition to continuing efforts by the UN secretary general, other approaches should also be considered, such as the convening of a peace conference on Cyprus. The Soviet minister declared the USSR's intention of devoting due attention to the Cyprus problem.

Bessmertnykh and Archbishop J.-L. Tauran, secretary of the foreign policy section of the Holy See, gave a positive assessment to the development of bilateral Soviet-Vatican relations, discussed in detail the problems of settling the Arab-Israeli conflict, and reviewed several other questions of mutual interest.

Summary of Meeting

PM2106104591 Moscow PRAVDA in Russian 21 Jun 91 Second Edition p 4

[Report by correspondent A. Stepanov: "Path Toward New Europe"]

[Excerpt] Berlin, 20 Jun—[passage omitted] Today the first session of the CSCE states council of foreign ministers completed its work.

At the concluding conference the ministers adopted a document entitled "resume of conclusions" which stresses that at the meeting in Berlin there were political consultations on problems like the architecture of Europe and the strengthening of security on the continent; the consolidation of human rights, democracy, and the supremacy of the law; and the prospects for economic transformations and social changes in Europe.

At the Berlin session the ministers adopted a mechanism for consultations and cooperation with respect to extraordinary situations. It was decided to ask the Council of Europe to contribute to the successful holding of the Moscow meeting of the Conference on the Human Dimension this September and October.

The ministers agreed that the Council's next meeting will be held in Prague on 30 and 31 January 1992.

TASS Reviews Results of Talks

LD2106095291 Moscow TASS in English 0934 GMT 21 Jun 91

[By TASS special correspondents Mikhail Voronenkov, Konstantin Savvin, and Georgy Shmelev]

[Text] Berlin June 21 TASS—The first session of the foreign ministers council of the Conference of Security and Cooperation in Europe (CSCE) member-states has ended here.

Foreign ministers from European countries, the United States and Canada, who met in the Reichstag building, exchanged views on the functioning of new structures and mechanisms for the evolution of the CSCE process. They focussed on a new European architecture, on building and further developing a continent of security and cooperation.

It is profoundly symbolic that the session, presided over by German Foreign Minister Hans-Dietrich Genscher, began its work with granting CSCE membership to Albania. Genscher referred to the council's decision to this effect as a further important step towards a united free Europe.

Participants in the session were addressed in a speech of greetings by Chancellor Helmut Kohl who emphasised that the Berlin get-together of the foreign ministers was called upon "to establish in Europe a new culture for the peoples' community life", replacing confrontation, rivalry and hegemony by goodneighbourly relations, cooperation and equality.

Then the council meetings were held behind closed doors.

Much interest was generated by a speech made by Soviet Foreign Minister Alexander Bessmertnykh. The ministers' attention was attracted by a proposal by Bessmertnykh about a future Europe as a continent of common spaces, a Soviet delegation member told TASS. It is a question of combining the efforts of CSCE member-states to resolve tasks within the entire zone in which the CSCE process is unfolding, he said.

European security and stability presupposes structures that would cover the entire continent, not just any part of it. If this does not occur, there would be counteraction, not cooperation, Bessmertnykh emphasised.

The CSCE process should not be subordinated either to NATO objectives or political lines of other existing European entities, the Soviet minister said.

Bessmertnykh pointed out the need for a consistent policy to set up non-bloc all-European structures that could serve as an effective instrument to resolve problems that arise before CSCE members.

The Soviet Union favours the expansion of the functions of the conflict prevention centre, an enhanced role of the senior officials' committee, the setting up of economic, scientific and technical cooperation agencies, and the adoption of all-European programmes in the spheres of the economy, ecology, science and transport.

The results of the first session of the CSCE foreign ministers' council inspire great and justified hopes for the establishment of a lasting and just peaceful set-up in Europe, Genscher told a news conference on Thursday at the close of the council's session.

At the closing meeting, the ministers adopted a document entitled "A Summary of Conclusions" which underlines that the ministers held political consultations on such problems as a new European architecture, the strengthening of security on the continent, the consolidation of human rights, democracy, and the supremacy of law, prospects for economic and social changes on the European continent.

The ministers adopted a mechanism for consultations and cooperation as regards emergency situations. It was suggested that the Council of Europe make its contribution to a successful holding of the Moscow session of the conference on the human dimension in September-October this year.

Along with attending the CSCE foreign ministers' council session, Bessmertnykh held a series of bilateral meetings with his counterparts, including those from Britain, France, Spain, Luxembourg, Sweden, Italy, Belgium, Albania, and Yugoslavia.

Special attention was paid to his meeting with U.S. Secretary of State James Baker. The talks focused on cooerdinating the positions of the Soviet Union and the United States over the signing of a treaty to reduce strategic offensive arms (START).

Bessmertnykh and Baker pointed out considerable headway in resolving problems that still remained open. Their opinion is that it is quite realistic to find a solution within the next few weeks.

Bessmertnykh and Baker reaffirmed the desire of the Soviet and U.S. sides to hold the summit as soon as possible, stressing that the Soviet and U.S. presidents intend to sign the START treaty at the summit.

Debate on Yugoslavia Reported

PM2106101591 Moscow PRAVDA in Russian 21 Jun 91 First Edition p 4

[Report by correspondent A. Stepanov: "Europe of Single Spaces; At Session of CSCE Countries' Foreign Ministers"]

[Text] Berlin, 20 Jun—Almost from the outset the atmosphere of constructive cooperation that had formed at the forum of the heads of diplomatic services of 35 states which began here yesterday underwent a certain test of durability.

After an emotional speech by Yugoslav Foreign Minister Budimir Loncar a lively debate on the situation in Yugoslavia developed. The participants in the meeting, respecting the request from H.-D. Genscher, who was in the chair, preferred not to inform the press of the thrust of this debate. Rumors of "contradictions" and "deadlock" circulated in the corridors and auditoriums of the press center.

Here, however, are words from the joint statement of the meeting's participants which reflect fully enough the thrust of the matter: "The ministers voice their interest in Yugoslavia's democratic development, unity, and territorial integrity based on economic reforms and the full observance of human rights in all parts of the country, including the rights of minorities, and they support the peaceful solution of the present crisis in the country. The ministers stress that only the peoples of Yugoslavia themselves have the right to decide the country's future. The ministers call for dialogue between all sides involved and confirm their opinion that the opportunities for this dialogue are not exhausted."

How did our diplomats work in Berlin? One innovative element here was the fact that the Soviet delegation included representatives from the republics in the European part of the USSR. An invitation was sent to all 10 republics, V. Churkin, chief of the USSR Foreign Ministry Information Administration, said at a press conference. Georgia ignored the invitation and the Baltic republics preferred to come to Berlin as guests of the Scandinavian delegations—a status that is envisioned in CSCE procedure. That is why after the official opening procedure they had to leave the auditorium—they could not take part in the closed session.

In general it should be noted that the discussion touched on questions relating to all three CSCE "baskets." Take disarmament problems. Since the major unilateral arms reductions by the Soviet Union, somehow there have been no great advances. Is it not time to elaborate a new mandate for the talks and to expand the range of their participants? Has the time not come to lift the many-years taboo on the discussion of the problem of disarmament in the naval sphere?

The meeting has entered the concluding stage of its work. It will be possible to sum up its results only after the final results of the discussion become known. Meanwhile, talk is proceeding at a good pace. It is asserted that H.-D. Genscher has established a ruling which does not predispose toward verbosity—just five minutes per speech.

Petrovskiy Previews Moscow Human Dimension Talks

LD1806221491 Moscow TASS International Service in Russian 1338 GMT 18 Jun 91

[Report by correspondent Mikhail Voronenkov]

[Text] Berlin, 18 June (TASS)—Vladimir Petrovskiy, USSR deputy minister of foreign affairs and executive secretary of the Moscow conference, told journalists in Berlin today about the preparations for the Moscow meeting of the CSCE conference on the human dimension which will be held in the Soviet capital from 10 September to 4 October of this year.

The forthcoming meeting of the CSCE conference on the human dimension is regarded in the Soviet Union as an important milestone in the development of the Helsinki process and the working out, within the framework of the CSCE, of single norms and standards in the area of human rights which are to become an integral part of the single legal space. We believe, he continued, that the Moscow meeting will make a real contribution to improving the CSCE mechanism of the human dimension. In our preparations for the meeting we are aligning ourselves with the high standards of glasnost and openness which distinguished the two previous meetings in Paris and Copehnagen.

The USSR leadership attaches great importance to the successful conduct of the Moscow meeting. We are pleased to note that other member states, too, are attaching great importance to the Moscow forum, he stressed. The meeting will be held at the House of the Unions in central Moscow. Journalists will be guaranteed the most favorable conditions for their professional activities. The journalists accredited at the Moscow meeting will have at their disposal the high-tech press center of the USSR Ministry of Foreign Affairs. A branch of the press center will be set up in the House of the Unions itself. The system of accrediting journalists

will correspond to the standards that took shape in Paris and Copenhagen. The press center will deal with its implementation.

A special public relations service will be active at the executive secretariat of the Moscow meeting. Representatives of nongovernment and religious organizations and individuals will be able to speak there. They will have access to the House of the Unions and will meet with delegations and the press. Quite favorable conditions regarding entry, exit, and movement within the country will be provided for journalists.

The same day V. Petrovskiy reported to the CSCE committee of senior officials on preparations for the Moscow meeting.

No Immediate Prospect of Large EBRD Aid

PM1906154391 Moscow IZVESTIYA in Russian 18 Jun 91 Union Edition p 1

[M. Berger report: "The European Bank Does Not Want To Be a Gosplan"]

[Text] J. Attali, president of the European Bank for Reconstruction and Development [EBRD], has been on a short visit to Moscow. He met with USSR President M. Gorbachev and RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet Chairman B. Yeltsin.

The EBRD is the only international financial organization of which the USSR is a member. The bank's statutory objectives are to facilitate market reforms in the countries of Eastern Europe. It was possible to draw two fundamental conclusions after J. Attali's press conference and exclusive interview with IZVESTIYA. The bank's president shares the USSR president's view that the West needs economic stabilization and recovery in our country just as much as the Soviet Union does. And second: There are no grounds for expecting to receive large sums from the EBRD. About six months ago a decision was made that for three years the USSR will not receive credits which exceed the amount of its contribution. And as our country contributed about $200 million, it can expect financial assistance of that modest order too.

And although J. Attali stated after his meeting with M. Gorbachev that the Soviet president is, in his opinion, committed to market reforms, this is not enough, according to all the signs, for a review of the USSR's credit limits. Probably the government program, which was also a topic discussed at the meeting with the USSR president, was also not a convincing argument in favor of granting us large credits.

"We do not want to turn into a European Gosplan [State Planning Committee] that helps governments even out their balance of payments and resolve problems of current consumption. Money can be provided only for specific projects ensuring a reasonable level of risk."

So that there was no doubt as to what he meant, J. Attali emphasized: "When I say a 'reasonable level of risk,' this means a very reasonable level." Clearly neither the general conditions nor the specific large projects satisfying these conditions exist at the moment. The question of possible financial assistance to the USSR, its extent, and terms, particularly interested Soviet and foreign journalists, especially as the question of M. Gorbachev's participation in the London "Group of Seven" meeting has been resolved. In this regard J. Attali said something to the effect that it would be more appropriate to replace the word "assistance" with "cooperation" and, as far as money is concerned, this is not as yet being discussed by either side.

It is true that there are several not very large-scale but nevertheless notable projects in which the EBRD is participating or planning to participate. They include the establishment in Moscow in conjunction with the USSR Gosbank [State Bank] of a commercial investment bank using Western capital, and cooperation with Moscow City Soviet in the sphere of privatization. Assistance in implementing privatization—by providing finance and expertise—is one of the main directions of the EBRD's activities.

The bank has prepared recommendations for the Soviet leadership which, for the moment at least, are confidential. Therefore J. Attali said that he cannot outline their contents to IZVESTIYA, but he listed several issues included in these recommendations. These include the elaboration of strict principles for relations between the center and the republics, the stabilization of the financial system, and the formulation of mechanisms promoting the private sector's development. Presumably the Soviet leadership's reaction to these recommendations will also determine the EBRD's policy with regard to our country.

The one thing we are not going to be short of is advice. J. Attali emphasized that there are no limitations in the provision of so-called technical assistance to the Soviet Union (various kinds of expert evaluation, work with specialists and the like). Many Western politicians and entrepreneurs are more or less similarly inclined today. And this is understandable: When you give advice, all you risk is that you will go unheeded, but when you give money, you risk losing it. This, of course, by no means always suits the recipient of aid. There is even a student joke which goes: Forget the advice—give me the money.

But until we establish reliable conditions for using money effectively (and these conditions must be convincing not only to us, but also to the world community), we will probably have to make do mostly with assistance in the form of advice.

West's 'Elder Statesmen' Should Be Heeded

PM2006140191 Moscow PRAVDA in Russian 17 Jun 91 Second Edition p 6

["Editorial commentary": "Wise Counsel"]

[Text] The word "former," as in former president and former prime minister, does not come across as at all pejorative in the civilized world. On the contrary, the attitude to figures who have held high office in their country and people who have accumulated vast political experience is considerably respectful. They are regarded as wise men and are turned to for advice and help.

That such an approach is valid you can see for yourself on reading the final statement of the Ninth Session of the Cooperation Council, the organization of former heads of state and government, which has come to an end in Prague (see PRAVDA 14 June). The document contains many deeply considered judgments on the fundamental changes that have been taking place in the world since the end of the cold war. We are naturally interested first and foremost in the assessments of the processes developing in the Soviet Union and the countries of East Europe. What, then, do these highly experienced people think and advise?

The first conclusion the elder statesmen of world politics draw is that to transform a system based on centralized planning and state ownership into another based mainly on market principles, private ownership, and the encouragement of initiative and enterprise could well take more than 10 years. The authors of the document caution in every way possible against haste and the expectation of immediate results.

But while opting for the market economy, they resolutely favor its being mixed in nature and the presence of a relatively powerful state sector functioning on the basis of market principles. The participants in the session regard as harmful and dangerous attempts to transfer directly to the countries of our region models for the organization of society which function satisfactorily in West Europe, North America, Asia, and other parts of the world.

The politicians who not so long ago headed the countries that we are wont to call the West cannot be denied breadth of vision. Comparing the "two worlds," they come to the very important conclusion that neither the capitalist market system nor the socialist command economy has proven to be a perfect method for meeting individual and collective needs or the just distribution of income. The conclusion prompted by this judgment is that we need to learn from one another and creatively borrow what is positive and applicable in different national conditions.

You are inevitably reminded here of the words recently uttered in Oslo: "The world is moving toward a common and universal civilization... The world consists not of uniformity, but of unity in diversity and the comparison and harmonization of differences."

The statement issued by the session is imbued with understanding of the fact that the success or failure of the fundamental reforms in the USSR and the countries of East Europe will determine the future of not just the peoples of that region but the whole world. Hence the urging of constant dialogue between the West and those countries and the recommendation that the governments of OECD countries provide them with financial, economic, and technical assistance.

In short, the advice of the former leaders deserves the most serious attention of both those who currently stand at the helm of state and the public at large.

'Important Role' Foreseen for Poland-FRG Pact

PM2006140991 Moscow PRAVDA in Russian 19 Jun 91 First Edition p 5

[Unnamed PRAVDA correspondent report: "Forming the Basis"]

[Text] Bonn, 18 Jun—A Polish-German Treaty on Good-Neighborliness and Friendly Cooperation was signed here yesterday. The document has been ratified by the signatures of both states' heads of government. In conjunction with the treaty concluded last November and confirming the inviolability of the existing Oder-Neisse border, it forms the basis for new German-Polish relations.

The preparation of the treaty that has now been signed was no easy process. Even after its text had been agreed, the federal government had to investigate objections and demands by the "Union of Exiles" and groups within it. The latter's views found advocates in the form of the Christian Social Union parliamentary group. Their demands boiled down to the Polish side's recognizing dual citizenship for German nationals in Poland and allowing signs with German names in cities and villages, along with "exiles' right to a homeland." The treaty was not allowed to be altered. Its opponents were won over, not without difficulty, by promises that their reservations would be reflected both in the accompanying government letter and later, having been ratified, in a special Bundestag resolution. The following question is therefore reasonable: Will this treaty enable Bonn and Warsaw to overcome all burdensome elements from the past?

It is indisputable, however, that the Polish-German treaty that has been signed may play an important role in establishing relations of trust and cooperation between the peoples of the two neighboring European states.

United States & Canada

Russian President Yeltsin Continues U.S. Visit

Confers With Bush

LD2006222291 Moscow TASS in English 2210 GMT 20 Jun 91

[Text] Washington June 21 TASS—U.S. President George Bush met visiting Russian President Boris Yeltsin in Washington on Thursday.

He congratulated Yeltsin with his historic victory in the Russian presidential election, which made him the first democratically- elected leader in Russia's history.

"We have been heartened and encouraged by President Yeltsin's commitment to democratic values and free-market principles and we look forward to meeting him," Bush said.

"I want to be very clear about this: The United States will continue to maintain the closest possible official relationship with the Soviet Government of President Gorbachev," Bush said.

Yeltsin assured him in their first few minutes of conversation, Bush said, that "he and President Gorbachev are in very close contact and working cooperatively together to achieve these ends".

"He knows that I have great respect for President Gorbachev, as I have for him. And our ability to work together had produced, I think, enormous benefits for both of our countries," Bush said.

Mikhail Gorbachev's bold policy of glasnost and perestroyka helped end cold war and make Europe whole and free, he said.

Bush said his administration intends to have good relations with both the Soviet Government and with its republics, adding this "obviously...includes Russia, the largest of them all."

Yeltsin thanked Bush for his welcome and a chance to "exchange views about the situation in Russia and the future.

Yeltsin praised progress in Soviet-American relations due to efforts by the Soviet and U.S. Presidents, saying that he will continue to work with Mikhail Gorbachev in this direction.

Terms Trip 'Successful'

LD2106090991 Moscow TASS in English 0815 GMT 21 Jun 91

[By TASS correspondents Aleksey Berezhkov and Paval Vanichkin]

[Text] Washington June 21 TASS—"We have been heartened and encouraged by President Yeltsin's commitment to democratic values and free market principles," U.S. President George Bush said on Thursday, receiving in the White House Russian parliament leader Boris Yeltsin, who is on a working visit to the United States.

Bush warmly congratulated Yeltsin on the victory in the presidential elections in the Russian Federation and said he looked forward to working with him. "But at the same time, I want to be very clear about this. The United States will continue to maintain the closest possible official relationship with the Soviet Government of President Gorbachev," Bush said.

Yeltsin, in turn, expressed gratitude for the accorded reception and the opportunity "to exchange views on the present-day situation in my country and also about the future which we are eager to build."

Yeltsin said that all the positive things that have been attained in Soviet-U.S. relations in the fields of security and cooperation than [words indistinct] the efforts of U.S. and Soviet presidents "is a major achievement of us all, and I shall seek to develop this achievement together with President Gorbachev."

On the same day, Yeltsin met U.S. Vice President Dan Quayle, Secretary of Defence Richard Cheney, Secretary of Commerce Robert Mosbacher and heads of several major U.S. corporations to discuss various aspects of Russian-U.S. cooperation.

These meetings capped the programme of his stay in the U.S. capital. Before departing to New York from the Andrews Airbase, Yeltsin gave an interview to TASS, in which he summed up the main results of the first stage in his visit to the U.S.

"I think that the Washington part of my visit was successful," Yeltsin said. "All of the meetings held showed that Russia's stance and the fact of the election of its president is rightly understood here as a victory of democracy. It is very important that Russia has embarked on the path of democracy and it will be firmly committed to democracy. For the sake of improving people's life, we will move towards a market economy, towards privatisation."

"I had important meetings in the Senate and the House of Representatives of the U.S. Congress, with the leaders of the U.S. major trade union association AFL-CIO and journalists," Yeltsin went on. "On Thursday, I met President George Bush. Our meeting lasted for over an hour and a half instead of the planned one hour. What is all-important is that at the talks Bush said for the first time that the U.S. was ready to conduct matters, as it were, at two levels: with the centre of the Union and with republics, primarily, with Russia."

Noting that the idea of cooperation between the republics and foreign states is formulated in the draft Union

treaty, Yeltsin said: "The very recognition of this by the U.S. is important, because previously we could not have Russia to conclude such treaties with other countries, especially on specific projects. We have achieved this now. We spoke about establishing a Russian-U.S. (?bank) for privatisation issues, programmes for processing and storaging farm output and training and re-training in the U.S. personnel for work in a market economy. We also discussed setting up joint motor transport companies to overhaul wares and equipment, the volume of which will increase significantly once direct ties are developed. Talk also focused on arms production conversion. The U.S. President gave consent in principle to develop these programmes. Certainly, this is very important for Russia."

"I think that this part of my trip was productive, successful in political terms and in terms of Americans' correct understanding of current processes in Russia and the problems of sovereignty," Yeltsin said in conclusion. "Russia does not seek the disintegration of the Union. Conversely, it wants to unite around itself those republics that wish to remain part of the Union. It seems to me that Americans have now become aware of this policy and this is all-important."

'Very Interesting' Talk With Cheney

LD2006192891 Moscow TASS International Service in Russian 1825 GMT 20 Jun 91

[By TASS correspondents Aleksey Berezhkov and Pavel Vanichkin]

[Text] Washington, 20 Jun—U.S. Defense Minister R. Cheney received today B.N. Yeltsin, chairman of the Russian Soviet Federated Socialist Republic, who is in Washington on a working visit.

Replying to a question by a TASS correspondent after the meeting, Yeltsin said: "It was a very interesting conversation: We talked about how the U.S. defense ministry plans to reduce armed forces and armaments. For our part we told how we plan to do it. Questions of confidence toward each other were discussed. We proceed from the fact that confrontation continues. It has been reduced, however, thanks to the efforts of Presidents R. Reagan and G. Bush and President M. Gorbachev. Of course, this gives a foundation for less danger and less fear toward each other, more confidence, and the basis for the further reduction of armaments and armed forces."

Later in the afternoon a conversation betwen B.N. Yeltsin and U.S. President G. Bush and Vice President D. Quayle will take place. In the evening the Russian leader will fly to New York.

Welcomes U.S. Investment, Aid

LD2006153191 Moscow Radio Moscow World Service in English 1200 GMT 20 Jun 91

[Text] Boris Yeltsin, elected the first president of Russia, said during his current visit to the United States that his republic would welcome United States investments in its economy and United States assistance in its advance to a market.

Yeltsin was addressing members of the Center for Democracy in Washington on Wednesday night, after receiving the prize of the influential nongovernmental organization. The citizens of Russia, Boris Yeltsin said, see their future in a strong union in which basic human rights and freedoms will be respected.

The visit to the Center for Democracy is part of his heavily- packed trip to the United States. Today he is to be received by President George Bush.

Quayle Attends Award Ceremony

PM2006175991 Moscow SOVETSKAYA ROSSIYA in Russian 21 Jun 91 First Edition p 5

[TASS report: "International Prize for B.N. Yeltsin"]

[Text] 20 Jun—B.N. Yeltsin has been presented in Washington with the annual international prize for democracy, instituted by the "Center for Democracy" organization. The ceremony was addressed by U.S. Vice President D. Quayle, who expounded the administration's views on the future development of Soviet-U.S. and Russian-U.S. relations.

Congratulating B.N. Yeltsin on his victory at the presidential elections in the RSFSR [Russian Soviet Federated Socialist Republic], he said, in particular: "You have come to Washington at a critical time in the history of Soviet-U.S. relations. We are meeting today as partners in the quest for a more stable and peaceful world order. As the revolutionary changes have unfolded in the USSR over the past few years, a process of fundamental changes has been taking place in Soviet-U.S. relations. I want to mention the dramatic change in the way we work together and look at one another. In principle this has been made possible as a result of the bold policy of M. Gorbachev and two U.S. Presidents—R. Reagan and G. Bush."

Visa Rules May 'Restrict' Soviet Performances

LD1906085391 Moscow TASS in English 2136 GMT 18 Jun 91

[Text] New York June 19 TASS—Special to TASS by Michael Feder:

New regulations on temporary work visas by foreigners may severely restrict large Soviet performing companies from appearing in the United States, a counsel for the Senate Judiciary Subcommittee on Immigration and Refugee Affairs told TASS.

These new rules, which will be officially announced in a few weeks and implemented on October 1, may limit 25,000 visas a year for people under the "P" (Performer) category, said the subcommittee source, who did not wish to be identified.

Quotas on foreign entertainers would not be imposed on individual countries, but rather on the collective foreign industry, according to the counsel, who added that such a policy would affect various large Soviet performing arts companies like the Bolshoi Opera and Ballet Company, the Moscow Circus, the Red Army Chorus and various soviet hockey teams.

At the present time, there are no limits on the number of people who can receive a temporary work visa, said the source.

To aid groups like the Bolshoi company in obtaining temporary work visas, an option is being considered to count large groups as single entities rather than break them up into individual persons. Many arts institutions such as the Kennedy Center in Washington D.C. and the Metropolitan Opera Company in New York have campaigned for the installation of this option, citing the Soviet Union as a prime example of why they believe the alternative would not work.

The counsel said that while all these possibilities are under consideration by the subcommittee, any statement as to their certainty is merely speculation at this point.

John Brown, a spokesman for the Immigration and Naturalization Services of the United States (an organization responsible for drafting the regulations set up by Congress) did not dispute the numbers cited, but said that the proposed new regulations are consistent with the present policy.

Performers, of course, are not the only foreign workers seeking temporary employment in the United States. For other categories, the counsel indicated that in order for a person to be granted a visa, he or she must have a petition filed by a prospective employer who can assure that there is a shortage of workers in that particular field.

So, for example, a foreigner who studies to be a Georgian cook would have a greater chance to obtain a visa, according to the source, while the foreign auto mechanic who wishes to work in America would likely be denied the opportunity.

According to "THE NEW YORK DAILY NEWS," the regulations would have no bearing on foreign superstars in any field.

The counsel added that the rules would not impact on visitors coming for tourism purposes.

China

Polozkov Defends RCP; Departs for PRC

LD2006154191 Moscow Russian Television Network in Russian 1640 GMT 20 Jun 91

[Text] Among today's anniversaries is the anniversary of the beginning of the work of the conference of Russian Communists, the one which declared itself a congress, electing Polozkov. After the conference there were mass resignations from the party, especially among the creative intelligentsia.

Ivan Kuzmich Polozkov noted in a conversation with us that the Russian Communist party [RCP] was, and remains, an adherent of the road to democratization and Russian sovereignty. He complained that during the pre-election campaign Russian Communists could not find young, new figures among their ranks to be brought onto the political stage.

[Begin Polozkov recording] The RCP was created when the sixth article of the constitution still existed. For this reason, naturally, it was from its very first steps like a ruling party. Now it is actually such. [end recording]

A meeting has been held in Novosibirsk of secretaries of Siberian oblast committees. The participants have demanded Polozkov's resignation.

And one further piece of news. Today, Ivan Kuzmich flies to the PRC. He was invited by the Central Committee of the Chinese Communist Party.

Polozkov, Delegation Arrive

CM2006095291 Moscow SOVETSKAYA ROSSIYA 21 June 1991 p 5

[Text] Beijing June 20—A delegation of functionaries of the Russian Communist Party led by Ivan Polozkov, member of the Politburo of the Soviet Communist Party Central Committee and first secretary of the Central Committee of the Russian Communist Party, arrived here today at the invitation of the Chinese Communist Party.

During its 10-day stay in the PRC the delegation will be received by Jiang Zemin, general secretary of the CPC Central Committee; will hold talks with Zhu Liang, chief of the CPC Central Committee International Relations Department; and will familiarize itself with the Chinese Communists' work experience. The Russian Communist Party representatives will also visit the cities of Harbin, Shenyang, and Dalian. The main purpose of our visit to China is to familiarise ourselves with the economic, social and political situation in China, Polozkov stated on his arrival at the airport. The Soviet Union is now at the crossroads, and we are to make a choice. China chose its own way of development. We should also look for our own way, adopting all that is useful and interesting in the experience of other countries. No foreign model in its original form will be suitable for us. This is why China's experience is of much interest to us, and we hope that the study of the Chinese experience will help the Russian Communist Party stand more steadily on its own two feet. We must firmly uphold the best things that are characteristic of Russia, after all Russia is both Europe and Asia.

So far as interparty relations with China are concerned, he continued, we should study more closely than ever the everyday work of the Chinese Communist Party. At a

time when the communist movement in Eastern Europe, and Europe in general, has been practically annihilated, a process of economic transformation in the economy and other spheres is successfully under way in China with the Chinese Communist Party playing the leading part. Thus, the leading role of the communist party is by no means the cause of the crisis phenomena, for which the Soviet Communist Party is blamed in the USSR. China's experience in this respect is very important and instructive for us. It deserves the closet attention and we are grateful to the CPC leadership for giving us the opportunity to see for ourselves the great positive changes that have taken place in China during the years of implementation of the policy of reforms and openness to the outside world, I.K. Polozkov points out.

Delegation To Meet Jiang Zemin

OW2106081691 Moscow Radio Moscow in Mandarin 1400 GMT 20 Jun 91

[Text] A delegation of functionaries of the Communist Party of the Russian Soviet Federated Socialist Republic [RSFSR] led by Ivan Polozkov, member of the Politburo of the Soviet Communist Party Central Committee and first secretary of the Central Committee of the RSFSR Communist Party, arrived in Beijing on 20 June for a visit.

The delegation will be received by Jiang Zemin, general secretary of the CPC Central Committee; hold talks with Zhu Liang, member of the CPC Central Committee and director of its International Liaison Department; and visit Harbin, Shenyang, and Dalian Cities.

Polozkov said upon arrival in Beijing that the primary purpose of the visit to China is to become familiar with the economic, social, and political situation in China. The Soviet Union is now at the crossroads, and it is to choose in adopting all that is useful and interesting in the experience of foreign countries. He said he believed that the Western economic theory imposed on the USSR is a blind alley. He stressed that this is the reason why China's experience is of considerable interest.

TASS Reports General Arkhipov Arrival in Beijing

LD2006145691 Moscow TASS International Service in Russian 0907 GMT 20 Jun 91

[By TASS correspondents Andrey Kirillov and Sergey Sorokin]

[Text] Beijing, 20 Jun (TASS)—A Soviet military delegation led by Army General V.M. Arkhipov, USSR deputy minister of defense and chief of logistics of the USSR Armed Forces, arrived in Beijing today at the invitation of Colonel General Zhao Nanqi, chief of the main logistics administration of the Chinese People's Liberation Army (Hut Noak).

At Beijing Airport, the Soviet guests were met by Colonel General Zhao Nanqi and other Chinese military leaders. During the visit, the Soviet delegation will hold talks with the (Hut Noak) command and will visit the logistics academy of the Chinese Army. A trip is planned to Nanjing and Guangzhou Military Regions.

Sub-Saharan Africa

Foreign Ministry Statement on South Africa

PM1906201691 Moscow IZVESTIYA in Russian 20 Jun 91 Union Edition p 4

["Statement by USSR Foreign Ministry Spokesman"]

[Text] Under the influence of South African antiapartheid forces and the international community and on the initiative of F. de Klerk's government, the laws on the separate residence of racial groups, land use, and racial registration of the population which formed the basis of the legal system of racial discrimination in South Africa have been repealed.

This is a big step in the right direction. In the Soviet Union this is seen as confirmation of the intention of the authorities in the Republic of South Africa to continue to pursue the course of dismantling apartheid and creating a nonracial democratic state. At the same time, in our view, it is too soon to speak of the final and total elimination of apartheid. A constitution which deprives the majority of the population of political rights is still in force in the country, and the political and legal institutions based on it are still in operation.

We are convinced that a viable political system ensuring the stability and development of South African society can only be formulated through talks with the participation of all the country's influential forces, taking into account the interests of the main social and ethnic groups of the population.

This requires first and foremost the adoption of urgent measures to stop the violence and confrontation that have seriously complicated the situation in South Africa recently and created a threat to the talks process. The influential political forces that are potential participants in full-scale dialogue should do everything possible to resume the preliminary talks that began in May of last year. This would make it possible finally to put firmly in place a process of political settlement in South Africa, to which there is no reasonable alternative.

The assistance of the international public, the United Nations, and the OAU should, in our opinion, play an active part in stimulating positive changes in the country and overcoming the problems that have arisen. How soon South Africa can be reintegrated into the world community will depend on how quickly the complete dismantling of apartheid by political means takes place and irreversibility is achieved in the process of a peaceful settlement.

RSA Apartheid Law Abolition Welcomed

LD1906204191 Moscow TASS in English 2027 GMT 19 Jun 91

[By TASS diplomatic correspondent Sergey Nikishov]

[Text] Moscow June 19 TASS—South Africa's parliament has decided to abolish the law on registration of the population.

The abolition of one more apartheid law in South Africa is a victory of democratic forces struggling against racial segregation in that country, Vasiliy Solodovnikov, deputy chairman of the Soviet Committee for Solidarity with Asian and African Countries, told TASS.

The Soviet public welcomes the decision and believes it is a serious step towards non-racial democratic society in South Africa.

Solodovnikov said the decision was taken under the continuous pressure on the country's leadership from democratic forces, primarily the African National Congress, the communist party, the Pan-Africanist Congress, and recently, liberal organisations of the country's white citizens.

The abolition of the law, however, does not fully eliminate its consequences, including a considerable difference in the position of black and white citizens. The country's constitution adopted in 1984 deprives black Africans of basic political rights, primarily the right to participate in parliamentary elections. Apartheid laws have also exacerbated citizens' economic, educational and health inequality.

Solodovnikov stressed the need to prioritise efforts to eliminate the consequences of apartheid laws, focusing on the adoption of a new constitution.

He said this will require more pressure on the government, including through international economic sanctions. He said that sanctions should be lifted only when the country develops a mechanism for working out a new democratic constitution, otherwise it will result in a weaker position of the African National Congress and other anti-apartheid forces, and lead to a counteroffensive of right-wing extremists.

Diplomat on Economic Cooperation With Uganda

LD1906232591 Moscow Radio Moscow World Service in English 1830 GMT 18 Jun 91

[Text] Transition to a market economy in the USSR makes it necessary to search for new, more effective forms of economic cooperation with foreign partners, including Africa. Together with traditional forms, new types of cooperation are being introduced, such as cooperation work on contract, international consortiums for implementing major projects, joint ventures. Uganda is one of such countries.

If until recently we were mainly creditors and assistants in the development, now we try to become partners, and what is more, not only by way of introducing our technologies sending our specialists, but also by inculcating the capital in the development of Uganda's industry, says the economic adviser of the Soviet Embassy in Uganda, Igor (Rayevskiy).

Thus within the latest several months alone a number of documents has been agreed upon and signed on establishing three joint ventures. One of them has great prospects for the development of that country. It's a factory on processing coffee which is to start working already this year. Another joint venture is to process high quality timber of Uganda to make furniture of it. And what's more, it will be sold not only on African markets but also in the Soviet Union. An agreement has been signed on establishing a joint venture on the processing of cocoa beans. These are just some of the fields in which we are collaborating with Uganda partners.

Asked about the prospects for the future, Igor (Rayevskiy) said: Next year we hope to start a serious work on building in Uganda an international eye disease center. The center will also include a rehabilitation center. Taking into account the outstanding climatic conditions of the country, it's possible to develop tourism, erect recreation facilities, and so forth, but this is the next step of our activities.

Asked about the capital which serves as the basis for the establishment of joint ventures, Igor (Rayevskiy) said in part: Practically all joint ventures are based on private capital but for the coffee processing for which the Peasant Cooperative Alliances of Uganda gave the capital. And our side is represented by government enterprises and large self-supporting amalgamations.

Not long ago Soviet entrepreneurs lacked the information on the potentials of the African market. Today we witness the stepping up of our ties, great interest in commercial contacts.

Yes, and this concerns in the first place the enterprises situation in the center of Moscow. As for the cocoa beans processing, the Council of Ministers of Latvia has displayed big initiative. Recently, a representative Latvian delegation has visited Uganda. It was received by the country's president. Business talks were held that led to the opening of trading enterprises in the near future for the realization of goods produced by Latvian enterprises.

It's an open secret that laws in many countries do not always contribute to expanding foreign economic ties. What's the situation in Uganda?

It should be said the Government of Uganda, its president, actively support our undertakings, says Igor (Rayevskiy). The economic policy pursued by that country creates all the necessary conditions for active participation in its development.

The legislature of the country also contributes to this. As for the local currency, it has become practically convertible. I'd like to add the enterprises acting as Ugandan partners have a privileged position in this country. So Soviet-Uganda economic ties have a very good prospect, added economic adviser of the Soviet Embassy in Uganda, Igor (Rayevskiy).

East Europe

Last USSR Solider Leaves CSFR Territory

PM2006151991 Moscow KRASNAYA ZVEZDA in Russian 20 Jun 91 First Edition p 1

[Report by correspondent Colonel P. Chernenko: "Last Train"]

[Text] Our last military train left Czechoslovakia for the motherland with hardware and personnel yesterday, 19 June. Thus, the plan for the troop withdrawal from the Czech and Slovak Federal Republic has been fulfilled. And now there is not a single one of our soldiers on Czechoslovak territory.

"From the Czechoslovak side," Colonel General E. Vorobyev, the Soviet Government's plenipotentiary for the Soviet troop withdrawal from Czechoslovakia, said, "there are and can be no complaints against us: The withdrawal schedule was observed strictly. And, just as planned, the Central Group of Forces ceased to exist in June of this year. We are leaving with a sense of a military duty fulfilled and of fraternal gratitude to the Czechoslovak people, with many of whom we have formed very good relations over these years. I am sure that the friendship between the Czechoslovak and Soviet peoples will remain, and joint cooperation in many spheres will still be of considerable benefit to us."

Problems of Withdrawal From Hungary Cited

PM2106092191 Moscow IZVESTIYA in Russian 20 Jun 91 Union Edition p 4

[Report by correspondents F. Lukyanov and V. Litovkin: "Signed Over the Tisza"]

[Text] Budapest—On 19 June 1991 at 1600 hours local time an event which was without the slightest exaggeration historic took place on the bridge across the Tisza between the Hungarian city of Zahony and the Soviet city of Chop. Lieutenant General A. Annush [name as transliterated], the fully empowered representative of the Hungarian Government, and Lieutenant General V. Shilov, the fully empowered representative of the USSR Government, signed a document on the definitive completion of the withdrawal of Soviet troops from Hungarian territory.

Over the course of 15 months over 1,300 echelons and about 100,000 people, nearly half of them servicemen, have been sent home. In addition over 27,000 units of arms and military equipment and ammunition, including nuclear ammunition, have left Hungary. During the Soviet troops' withdrawal the Hungarian side was presented with 181 military townships including 5,732 establishments of which 3,783 were constructed with USSR Defense Ministry funds.

The command of the Southern Group of Forces has succeeded in selling scrap metal, fuel and lubricants and property by means of which construction materials have been acquired to the sum of 4.7 million foreign currency rubles. Over 3 million bricks, about 3,00 tonnes of cement, and 197 prefabricated storehouses have been dispatched from Hungary to the new billeting regions, but in terms of cost this is only a small proportion of what remains in Hungary. The main thing which must be noted, and this was emphasized by all officials, is that the withdrawal of the Soviet troops has proceeded precisely, in an organized manner, without serious violations.

Lieutenant General V. Shilov said that the size of the Soviet troops' redeployment is comparable with theit transfer from Europe to the Far East in 1945, although at the time there were 900 kg of material and technical facilities per serviceman, while now the figure is over 10 tonnes.

There's no denying that the deadline for our troops' withdrawal from Hungary was quite tight. Even now they seem unjustifiably tight to many military men. If they had been in the reserve for just a few months, six months, longer, many of the problems of providing amenities at their new place of residence—in the Ukraine, Belorussia, or Russia—would have been successfully resolved. But the decision on the deadline for the withdrawal was taken in a specific political situation, and by no means an ideal one, which, however, does not spare the local authorities of the need to display a sensitive attitude toward the problems of the people called on to defend the Motherland.

It is also true that, again unfortunately, before the very last day of our troops' withdrawal from Hungary we had not succeeded in settling all property, financial, and economic questions connected with the immovable property left behind by our people. Considering the complexity of the problem and the fact that only slightly more than a week remains until 30 June—the deadline set by the 1990 intergovernment agreement for the final withdrawal of the troops and the settlement of all questions—one can note even today that the seventh point of the agreement will hardly be fulfilled on time. That is why, crossing the bridge over the Tisza, Lieutenant General V. Shilov having removed his uniform, will return to Hungary in civilian clothes as the Soviet Government's fully empowered representative to complete the talks.

"On the question of the fate of the immovable property left by the Soviet troops we have encountered very many problems," Lieutenant General A. Annush, the head of the Hungarian delegation, said in a talk with

IZVESTIYA correspondents. "First, we believe that the greater part of this immovable property is in general unsuited for any use and therefore we suggest removing that part from mutual accounts. Judge for yourselves—what are we to do, for instance, with underground command posts or former nuclear munition storehouses? In addition, a large part of the buildings was constructed without the Hungarian side's permission or with gross violations of construction technology and is totally unsafe. The proportion of these edifices is very high—over half of them in cost terms."

But the most complex problem is the ecological damage caused by the Soviet units during their stay in Hungary, damage whose sum total, in the assessment of our Hungarian interlocutor, covers all the Soviet side's financial demands. It includes the pollution of soil and water, damage to parks and forests, and much, much else.

"We have had 1,200 specialists studying questions of economic damage," A. Annush said. "We have prepared a substantial document of 10,000 typewritten pages. But the Soviet side has so far not even translated it into Russian. Nature conservation experts have not yet traveled to Hungary to assess the damage caused together with our leading specialists."

Of course, one can understand the arguments and position of the Hungarian side, for the activity of any army in any country as is well known does not take place under sterile conditions.

But in this connection Yu. Grishin, deputy minister of foreign economic relations, speaks of the tough stance of the Hungarian side and its excessive ecological claims, settlement for which, incidentally, do not legally stem from the intergovernment agreement on the withdrawal of troops.

"But nonetheless," Yu. Grishin notes, "there is still a basis for completing mutual settlements. We believe that the Hungarian side will go halfway to meet our proposals. We must recall that we must continue to live in a neighborly way and to cooperate."

As we can see, the sides' positions are still a long way from each other, but one wants to hope that the completion of the troops' withdrawal will not delay but on the contrary accelerate the finding of a compromise solution acceptable to both sides.

Yakovlev on Gorbachev, Situation in USSR

AU2006141591 Prague RUDE PRAVO in Czech 18 Jun 91 pp 1, 5

[Interview with Academician Aleksandr Yakovlev, senior adviser to President Mikhail Gorbachev, by Bohuslav Borovicka; in Prague, date not given: "It Is Impossible To Reform Something That Does Not Exist"—first paragraph is RUDE PRAVO introduction]

[Text] Academician Aleksandr Yakovlev, head of the Soviet president's team of advisers, was one of the participants in the international conference on European confederation. He granted RUDE PRAVO an interview in the Atrium Hotel where he was staying with the other "guinea pig guests" prior to its official opening.

[Borovicka] You were last in Prague in the fall of 1988. Your speech aroused the displeasure of the former Communist Party of Czechoslovakia leadership. Did you envisage that, exactly one year later, revolutionary changes would take place in Czechoslovakia?

[Yakovlev] I spoke about perestroyka and what I thought about it. My speech did not only arouse displeasure, a complaint was also sent to me in Moscow that I was disorienting the party aktiv.

At that time I sensed a certain dissatisfaction; perhaps I had a premonition that something unforeseeable had to happen here. We spoke a different language from your representatives. You know, the situation when two people use more or less the same vocabulary—renewal, democratization, and so on—but have in mind completely different things.

This reminds me of our neo-Stalinists. They have learned to use new expressions, but they pin a completely different meaning on them.

[Borovicka] You met with President Havel and other Czechoslovak representatives. What language did you speak this time?

[Yakovlev] We did not discuss conceptual issues with the president. Our conversation mainly centered on the fact that the time has come to positively deal with all the issues in our mutual relations. It is necessary to renew economic cooperation on a new and equal basis, to place a full stop on the past, and not to amass accusations against each other. I think we understood each other. I take the president's words very seriously; I do not only see diplomatic politeness in them.

The meeting with the Czech prime minister was very interesting. It was a lunch that we turned into a symposium. We talked about the present and the past, about the roots of our suffering, and about our paths toward the future. I think it was very interesting for both sides. It was certainly much more interesting for me than all these discussions in the past when we sat round a table and lied to each other.

[Borovicka] You are described as one of the architects of perestroyka. At its beginning, did you prepare any "blueprint" or plan for how it should proceed?

[Yakovlev] It would be too immodest to claim that I had any precise plans or even "blueprints." In fact, it began when Chernenko came to power. Lots of things were already clear beforehand, but this was a bolt from the blue. It was apparent that society was standing at the edge of a real abyss, that it was no longer capable of

finding a way out, and—what is more—it was indifferent about whom it placed at the top. This was simply a catastrophe.

I had already previously maintained that changes were necessary and that monopolistic power would not get us anywhere except disaster. If in a country with the most genuine democracy the very best people were selected and power was given to them and if they were not replaced in five or ten years, they would begin to think that they had imbibed wisdom with their mother's milk and that only they could influence the truth and treat it whatever way they wanted.

You know, there are rules for political life. One of them is replacing people. Then you do not need any supervisory organs because those who have been replaced carefully supervise the new people.

[Borovicka] There has been a great deal of discussion on whether it is possible to reform socialism. Is perestroyka such a reform?

[Yakovlev] In no way. It is impossible to reform something that, in fact, does not exist. No kind of socialism, even taken from the orthodox point of view, actually existed. How can you possibly describe as socialist a society that is militarized to extremes, that does not allow ideological freedom, and that is based on a monopoly on power and a monopoly on ownership?

[Borovicka] President Gorbachev is often reproached for not implementing perestroyka decisively enough and for not proceeding decisively enough against various extremes. What kind of political pressures is the USSR president working under today?

[Yakovlev] If they were to place me against a wall and say "you will be president," I would probably reply "shoot me, I will not." It is the most unfortunate and thankless post in my country today.

There are very many forces pressuring Gorbachev. His own party, which has split into several factions, the Army, the military industrial complex, the union republics—each of them is pushing for different interests—and, finally, pressure from the people who shop in empty stores and who every day come up against such aspects of our heritage as health care or education.

On the other hand, the very fact that this pressure is coming from all quarters enables him to bear it. That is, certain forces operate against each other or cut across each other and thus the pressure is partially neutralized and a kind of negative balance is created.

[Borovicka] What is your opinion of the claim that Gorbachev has remained in the post of CPSU Central Committee general secretary because the party is the only instrument that was left for him to assert his policy?

[Yakovlev] It is quite the opposite. The CPSU leadership knows very well that if Gorbachev were to resign from its most senior post today, the party would fall apart tomorrow. The stream that has already tried to unseat Gorbachev would probably prevail in the leadership and it would act against reform. It is made up of forces that are incapable of creating anything, but know how to destroy very well.

[Borovicka] It is said that Gorbachev is still president mainly because he achieves successes in foreign policy....

[Yakovlev] This is not the case. In today's economic and social situation no one pays too much attention to foreign policy. The people's interest is oriented toward domestic problems. Moreover, the main success was achieved years ago when Gorbachev managed to convince people that there was no danger of war. This fear was considerably widespread. There is no point in discussing whether or not it was whipped up. Generals are the same everywhere. Today some of our gung-ho democrats claim that only we are to blame for this; of course, this is nonsense.

The people have calmed down somewhat and what is happening in foreign policy has receded rather far back in their consciences.

[Borovicka] What does the concept of democratic force mean in the Soviet Union today?

[Yakovlev] Everyone considers himself to be a democrat. Those who really are and the extremists on both sides of the political scene. On the one extreme, there is the Yedinstvo [Unity] group that expelled Gorbachev and me from the party. It talks about reacquiring power and so on. This is the coarsest type of neo-Bolshevism. On the other extreme, there is, for example, the Republican Party. One of its three joint chairmen in particular, Slakshin, is calling for all Communists to be placed against the wall.

[Borovicka] A union treaty should be signed shortly. Obviously, some republics will not accede to it. Do you think they are capable of surviving on their own?

[Yakovlev] I am a consistent supporter of the right to self- determination, but—at the same time—I do not understand what induces, for example, Georgia to strive for independence. Apart from wine and poor quality wool, it has nothing that it could offer for sale. Some of my local friends there say that they will give independence a try and if it does not work, then they will return in two or three years. I say to them that no one will want them. Imagine this, they are amazed. They want to secede, but—at the same time—they are still thinking in categories such as "the family of fraternal USSR nations" and absolutely fail to understand that completely different rules apply in relations among independent states.

[Borovicka] Thank you for the interview.

IZVESTIYA Reports Woerner's Bulgaria Visit

PM2006103591 Moscow IZVESTIYA in Russian 17 Jun 91 Union Edition p 4

[Report by correspondent A. Kapralov: "NATO Secretary General in Bulgaria"]

[Text] Sofia—NATO Secretary General Manfred Woerner is in Sofia on an official visit at the invitation of the Bulgarian leadership.

It so happened that on Thursday Woerner, having taken his seat in the "Trabant" belonging to Solomon Pasi, chairman of the local society of "Atlanticists," set off for a reception at the British Embassy. "It was the first time I had ridden in a Trabant," Woerner admitted in a television interview, although it is a German vehicle. It was a fantastic feeling..."

Perhaps only a couple of years ago even the timid suggestion that the NATO secretary general might visit Bulgaria could have looked just as fantastic as the drive in the "machine from the past."

Since the establishment of diplomatic relations between Bulgaria and NATO in August 1990 there have been two meetings between the Bulgarian foreign minister and the NATO secretary general and in late April 1991 Bulgarian Prime Minister D. Popov was received in Brussels. These contacts have enabled the sides to amplify their views on questions of European security and to discuss prospects for cooperation. It is now a case of specific accords. "We will make the maximum use of the opportunities which an authoritative organization like NATO can give us," Foreign Minister V. Vulkov stated, "not only in the military but also in the political field."

In turn President Zhelyu Zhelev, speaking at M. Woerner's meeting with Sofia University students, assessed the visit as an exceptionally important event. He drew special attention to the problem of Bulgaria's security under the conditions of the disintegration of the Warsaw pact and the disappearance of bloc guarantees.

Addressing the Grand National Assembly, M. Woerner noted Bulgaria's important role in the system of European security. In NATO's opinion, security in Europe has four basic fulcrums. They are the European Community as a source of political and economic security, the Conference on Security and Cooperation in Europe as a means of all-European cooperation, the Council of Europe as a guarantor of human rights and democratic institutions, and NATO as the main nucleus of security.

In Sofia the NATO secretary general invariably stressed that the development of relations between Western and Eastern neighbors in Europe cannot be implemented without the Soviet Union's participation. He noted the need to maintain good relations between Bulgaria and the USSR in the context of the ideas of creating an "all-European home" and a new order in the security sphere.

At his meeting with D. Popov, M. Woerner said that he would like through Bulgaria to pass on two messages to the Soviet Union. First, that NATO does not intend to build a new Europe without the USSR or against the USSR. And, second, that the quality of relations between the Soviet Union and the European states will depend on Moscow's attitude toward Bulgaria and the other former socialist countries.

Foreign Ministry spokesman B. Chakurov stated that the question of Bulgaria's membership of NATO is not on the agenda. But let us note that it has already been raised once in parliament. The newspaper TRUD recently wrote on this subject that an increase in the number of NATO members cannot fail to affect the interests of the Soviet Union's national security, and that contradicts the West's plans and intentions. "It is in our national interests," the newspaper wrote, "to continue to develop relations with that enormous country." The author of the item in TRUD cited in conclusion a paragraph from an interview given by the German military attache to the weekly POGLED: "I do not know whether I am right or not," Lieutenant Colonel Barske [name as transliterated] said. "But I think that in the foreseeable future it is above all the Soviet Union which will be the guarantor of Bulgaria's nationals security."

West Europe

Gorbachev Receives EC Commission Chairman Delors

LD2006131391 Moscow TASS in English 1250 GMT 20 Jun 91

[By TASS diplomatic correspondents Viktor Bezbrezhnyy and Vladimir Shishlin]

[Text] Moscow June 20 (TASS)—Jacques Delors, chairman of the Commission of the European Communities, in Moscow at the invitation of the Soviet Government, today met with President Mikhail Gorbachev.

Delors continued his talks with Prime Minister Valentin Pavlov.

Within the framework of Delors' visit, the sides initialled an indicative programme of EC technical assistance to the Soviet Union.

Each page of the document was signed by Ernest Obminskiy, deputy foreign minister and chairman of the Soviet part of the mixed USSR-EC Commission, and Jean-Louis Cadieux, deputy general director of the Commission of the European Communities for external affairs.

The programme has been prepared on the basis of the December 1990 decision by the Council of Europe to allocate 400 million ECU [European currency units] (540 million dollars) in 1991 for technical assistance to the Soviet Union. It defines forms and directions of this assistance.

The programme will cover personnel training, power engineering, financial services, transportation and distribution in the agro-industrial complex.

It envisages feasibility studies of specific projects in corresponding areas, upgrading and retraining of personnel for state management and market structures.

Implementation of the programme will be started after the drafting of bilateral documents setting out financial, technical and other conditions of technical assistance is completed and corresponding documents are signed by the USSR and the communities.

The indicative programme will become the first document regulating the West's large-scale assistance to reform in this country.

The Soviet Government hosted a luncheon in Delors' honour.

Hold Talks in Kremlin

LD2006163591 Moscow TASS in English 1624 GMT 20 Jun 91

[Text] Moscow June 20 TASS—It was announced here today that President Mikhail Gorbachev and President of the European Communities Commission Jacques Delors met in the Kremlin today.

The two men, who had met many times before, wasted no time on formal greetings and directly began a friendly and serious discussion of problems of interest to both.

The talk opened with the discussion of transformations under way in the USSR, the interaction between the Soviet Union and European Communities and, on a wider scale, about assistance the West can render to Soviet reforms within the framework of mutually beneficial cooperation.

Gorbachev noted that the political situation inside the Soviet Union recently tended towards normalization, especially in relations between the republics and the centre on the basis of the one-plus-nine statement. He stressed that special importance is now being attached to the vigorous translation into life of economic reforms and measures aimed at stabilizing the economic and financial situation, as well as at strengthening the rouble.

The Soviet president explained why the country needed to step up the pace of transformations at this moment. He said the logic of perestroyka had led to this need. "We have already left behind one system, or, to be more exact, are in the final stage of dismantling it, but have not yet entered a new stage," Gorbachev said and added that it would not do to linger within the transitional phase. This was one reason. Another one is that it is necessary to take into account the tendency towards stabilization and concord that has emerged in society. People are aware of the need to take resolute steps. Society is ripe, but it can "burn out". It is now necessary to meet people's expectations halfway.

Of course, Gorbachev continued, we clearly understand the complexity of measures that are being taken and those to be implemented, as well as the difficulties they give rise to.

"I have been frank in saying—in the past and now—that hopes for an easy and smooth process are an illusion. It is far from simple to make this immense country—a world in itself—turn around in one go and face the human individual with his needs and the rest of the world. This is an unprecedented situation, no other country in the world has performed such a turn".

Now that resolute transformations are gaining momentum, all those who are against them are mobilizing, including in the parliament. Conservative forces are in the lead, with so-called "hurrah- patriots" among them, people who are unable to see things the way they are, who view everything happening in the country now as a way to perdition, a slide-back to capitalist slavery.

But the path we have embarked upon is the one that opens the road leading into the future. It is necessary to clearly see and understand this. And act with determination. We can advance very far but only within the limits prompted by the social situation and social interests of society. No one is empowered to overstep these limits.

Jacques Delors said that he was well aware of the scope of both our problems and our difficulties, as well as of the immense significance of current transformations for Europe and the rest of the world.

Drawing on his own experience and the experience of European communities, Jacques Delors said that on the whole he shared the ideas of the Soviet Government's anti-crisis programme supported by the Soviet republics and believes that it sets adequate targets.

President of the Commission of the European Communities particularly stressed the significance of the country's unity, mutual understanding and interaction between republics on the basis on the one-plus-nine statement. That political reform is making headway in the Soviet Union and the signing of a Union treaty is nearing on the one hand creates a political basis for stabilization and progress and on the other boosts confidence in the current transformations as a whole.

Hence the growing importance, Delors said, of the measures aimed at overcoming the budget deficit and other imbalances and the curbing of inflationary tendencies. This calls not only for coordinated actions by Soviet republics but for stronger central authority, Delors said. If, he said, the center does not have sufficient rights, any reform is doomed to failure. It will be no good without the power nucleus. These problems, he said, require special attention.

Jacques Delors then said that the leading quarters of the West, above all of the European Communities are fully

aware both of the substantial nature of Soviet reforms and the need to support them.

Everybody knows that the Soviet Union is a great power, that it holds such trumps as its energy-carriers, raw materials, system of education, machinery and modern technologies, especially in the military industries, and intellectual potential. The European Communities are not only prepared to support but are already supporting Soviet reforms: Witness the unprecedented wide-scale agreement on economic cooperation now being initialled in Moscow.

Delors asked Gorbachev: What does the Soviet Union expect from the West, including from the "big seven" industrialized countries whose leaders Gorbachev is due to meet in London.

The Soviet president replied: Above all we want an understanding of our reforms and our desire to lead relations between the Soviet Union and Western countries towards new economic cooperation, ensuring an organic incorporation of our country in the world economy and its structures. We have what to offer—major cooperation projects. If there is a political understanding of our turn-around towards the external world, towards mutually beneficial partnership, practical steps will be easy to define. We do not conceal our need for support. But we are shouldering and will continue to shoulder the main burden of reforms by ourselves. It is necessary to understand that we are all in the same boat and to solve the pressing world problems together. Solve them proceeding not from ideologies—ideologies should be left to parties—but from the fact that we all belong to the same civilization, although we are following different ways, each his own.

Gorbachev and Delors parted having agreed to maintain regular contacts in the future and exchange topical information.

Pavlov, Delors Discuss Economic Reform

LD2006135791 Moscow TASS in English 1328 GMT 20 Jun 91

[Text] Moscow June 20 (TASS)—Prime Minister Valentin Pavlov and EC Chairman Jacques Delors, in Moscow on a brief official visit at the invitation of the Soviet Government, had talks on June 19 and 20.

The Soviet premier briefed Delors about the implementation of the economic reform and the government's anti-crisis measures. The two men examined USSR-EC relations within the framework of the all- European process.

Pavlov thanked the EC for the December 1990 decision to facilitate reform in the Soviet Union, noting the importance of practical steps to speed up the implementation of these decisions.

He emphasised the significance of adopting agreements on the EC's programme of technical assistance to the Soviet Union during its transition to markets and providing guarantees for export credits to buy food.

Delors stressed the European Communities' interest in the soonest resolution of difficulties and the stabilisation of the Soviet economy on the basis of common economic space.

He showed great interest in the Soviet efforts to train qualified managerial personnel for work in conditions of the market economy.

Delors said it was useful to exchange opinions in view of the EC summit scheduled for late June, at which the heads of state and government of the 12 member countries will discuss relations with the Soviet Union.

These issues will also be discussed at the forthcoming London meeting of seven leading industrialised nations.

Delors Addresses Cabinet of Ministers Meeting

LD2006223591 Moscow TASS International Service in Russian 1832 GMT 20 Jun 91

[By TASS correspondents B. Grishchenko and B. Shestakov]

[Text] Moscow, 20 Jun (TASS)—Solidarity gives rise to strength—this was the thought which ended the speech by Jacques Delors, president of the EC Commission, at today's expanded session of the USSR Cabinet of Ministers. In Moscow as a guest of the Soviet Government, this prominent politician was the first foreigner to be offered the podium by the Union cabinet.

At the session a record number of leaders of the country's republican governments gathered. Partly behind this is the desire to find out a little more about why things are improving so rapidly in the world for the 12 states of Europe, who are gradually creating and strengthening their federation. What could we use from this experience when creating our own renewed federation?

Speaking about certain, in his opinion, characteristic features of the community, Delors stressed that the goal which the EC members have set themselves is political. The countries are trying together to link their destinies, while understanding well that only together will they be able to reliably defend their agreed interests. It is precisely this which is teaching them to deal with their sovereignty in a new way. What is particularly characteristic, the guest stressed, is that the given process began namely with economics.

The principal elements of this model are as follows: The creation of a single economic space with a common market; the development of a coordinated policy in this market; a single EC voice in tackling world economic problems. At the request of members of the cabinet, the guest elaborated on many details, namely freedom of movement of people, services and capital, agreement on the development of the economies of member countries

of the federation, and drawing up a common monetary system. Incidentally, since this system has been in operation, the inflation rate has dropped steeply in all the EC countries.

It is the common policy in the sphere of foreign economic relations, stressed Delors, that fosters the intensification of cooperation between the European Communities and the Soviet Union, and which has made it possible to take the steps that have now been undertaken in Moscow.

The visitor described in detail the prospects for the development of the EC, noting that the combination of what are at first sight incompatible concepts, such as competition and cooperation, are the motive force of the federation. It is very important, he noted, that such a combination promotes the strengthening and development of solidarity among the member-states of the EC, despite different living standards.

Delors had to reply to a number of questions which were put to him by statesmen and scholars. It even seemed at times that the very questions betrayed a healthy envy: What lives people lead! However, the visitor's tact did not allow him to clarify certain acute problems precisely enough. For all our respect for the experience of the EC, we must find the answers to them for ourselves.

Never before had one seen the mood of a cabinet meeting changed so dramatically after a break. At any rate, there was no more applause.

The question of taking production out of state control and privatizing property during transition to the market has now of course stirred up literally all of society. However, even the meeting became turbulent when the participants moved on to discuss the subject.

The government leaders of certain republics, including the Russian Soviet Federated Socialist Republic, the Ukraine, and Belorussia used quite hard words to express their disagreement with a number of provisions in the decision by the USSR Cabinet of Ministers on measures for the elaboration of programs and forecasts for next year in conditions of forming market relations.

Summing up their misgivings, the critics of the document do not believe that it takes sufficiently into account the proposals and amendments introduced by the republics. Thus, the decision infringes on their right, as it were, to conduct an independent economic policy. "Flirting" with commodity producers creates, in the opinion of the speakers, the axis linking the enterprise and the center where there is no room for republican interests.

As it became clear in the course of discussion, the problem which was raised has a direct bearing on the question of the denationalization and privatization. The point is whether we should commence with this process without waiting for the division of property between the Union and the republics. This is, after all, the prerogative of the new Union treaty. This question, stressed the prime minister, is outside the competence of the cabinet. The document which was criticized has been drafted for the enterprises. If we forever delay making decisions on the specific questions, next year again the country will have neither the former economic ties nor the market. We have to decide: do we believe in the market or not, said V. Pavlov.

S.V. Assekritov, chairman of the USSR State Property Fund, took into account a suggestion put forward by the head of the government to talk 'without slogans and lyricism.' In his brief report, he stressed that the basic problems which hamper the quick adoption of the law on denationalization and privatization boil down to three main components: whether this process should be payable or free of charge, how to carry out privatization of the residential accomodation, and what role should be played by the working collectives? We, said Assekritov, view denationalization and privatization only within the context of the program of the joint action of the USSR Cabinet of Ministers and the sovereign republics. The circumstances demand that society starts making decisions on the specific questions of ownership without delay. This work could be started without waiting for the division of its spheres between the country and the republics. The main thing is to create the property of goods' manufacturers, independent from either the center or the republics. Otherwise, this process could stretch to 15-20 years.

The head of the foundation considers it necessary to adopt a general decision on the procedure for handing over property and define a specific period for its transfer. This work must begin from below. It is necessary to create commissions at enterprises and prepare labor collectives for serious transformations. It was stressed that an evaluation of the property which is being removed from state control must begin immediately, taking into account the interests of the owners in the person of the state and labor collectives. During privatization it is the state which is called upon to ensure the observation of the priorities of the anti-crisis program, achieving the implementation of the planned course with the help of tax policy.

Such is the position in its general outline of the Union Cabinet of Ministers in its approaches to the key problems of creating a multistructured society. The country's government has a right to count on an equally interested position on this issue from both the republics and regions, and Union departments. However, even from the ministries there are insufficient serious proposals regarding preparations for privatization. Several of the speakers tried to persuade; departments for the time being are each in their own way examining paths for removing state influence. Evidently, for this reason, an interdepartmental council needs to be created to coordinate policy in the sphere of removing state influence and privatization.

How can one not remember the conclusion of the EC envoy here: Solidarity gives rise to economic strength.

Speech Attracts Great Interest

LD2006164291 Moscow All-Union Radio Mayak Network in Russian 1441 GMT 20 Jun 91

[Text] We have already reported that a full session of the USSR Cabinet of Ministers is taking place in Moscow today, where, in particular, the prospects for cooperation with the EC are being discussed. Our correspondent, Valeriy Kiosa, who is present at this session, will now give a more detailed report on this. So, over to you:

[Kiosa] Thank you. This morning Jacques Delors, chairman of the EC Commission, really did address the USSR Government for the first time. There was a great deal of interest in his speech. The prime ministers of many republics were present. Introducing the speech by the respected guest, Prime Minister Pavlov stressed that the new cooperation with the European Community will be mutually beneficial and corresponds to new international policy, free from the burden of the past.

Then Jacques Delors spoke. He devoted his speech, for the most part, to the European Community as it is today, and as it will be in the future. Speaking of the present day, he stated that the 12 countries in the European Economic Community have primarily set themselves the political goal of unifying their interests, and in this way of guaranteeing the defense of their security and existence in our harsh world. This should take place on the basis of the joint existence of sovereignty, and it was resolved to begin unification with the economy. Incidentally, Jacques Delors emphasized that the problems of the Soviet Union and the problems of the European Economic Community are, generally speaking, in some ways similar because there the issue is the creation of a federation, and here the issue of what sort of federation we are to have is also being discussed.

Talking of the current situation, Jacques Delors stressed that economic policy is built on the basis of a single economic area, the regulation of the action of market mechanisms, and a common foreign economic policy. Those results which are now being achieved by the European Economic Community are generally known, and I will not speak about them now. They have been achieved by having a common market without borders, and, as Mr Delors expressed it, four freedoms: the free movement of individuals, goods, services, and capital.

Of course, not every region in Europe has the same possibilities, and this is where the common policy of mutual support and help for those regions—which for one reason or another are backward—has arisen.

However, the majority of the speech by the chairman of the EC Commission was devoted to what is to happen after 1992. He stated that now talk is of the reform of agreements within the European Community and the establishment of a federation on the following principles: a single currency and a single European bank—that is to say, a single thing in the midst of variety, if I can put it that way. Examination of the idea of enlarging the area of competence of the Community, a common macroeconomic regulation of its development, common finances—incidentally, they already exist, stressed Jacques Delors—and this is what removes the possibility of annual battles about who owes how much to the European Community. The third condition is a common foreign policy, and clearly a common policy in the area of security, incorporating not only the strictly military sphere, but also the area of guaranteeing the security of people and their existence.

Then, Jacques Delors answered questions from those present at the session for about 30 minutes, in particular replying to the question from Ivan Stepanovich Silayev, chairman of the Council of Ministers of the Russian Federation, on the prospects for a common currency policy. Jacques Delors stated that a common currency in prospect should replace the national currencies of countries within the European Economic Community. Here, however, he immediately emphasized that for us, not only market structures are working, he said, but there is state interference, the regulation of the Central Bank, and there are agreements with trade unions, and every action has an effect in countries as regards implementing common laws.

Probably the final question to which I would like to draw your attention was put to Mr Delors on the possibility of any country leaving the European Community. He gave the following reply: In principle, the agreement to join the EC is for life, but any country can leave. From the point of view of political science, a version of leaving could be imagined, but the country wishing to leave would have to pay the Community should that decision affect the interests of the Community. This was the speech given today in the USSR Cabinet of Ministers by Jacques Delors, chairman of the EC Commission.

Views Assistance for Perestroyka

LD2006185991 Moscow Central Television First Program Network in Russian 1800 GMT 20 Jun 91

[Report by V. Stepanyuk; from the "Vremya" newscast]

[Text] Jacques Delors was invited to today's sitting of the USSR Cabinet of Ministers, which was devoted to the problems of privatization and dismantling state control in the economy. Introducing the guest, Prime Minister Pavlov noted that the EC now comprises 12 countries, with a population of 320 million, and they account today for over one third of world trade. These countries plan to establish a single internal market of goods, labor, services, and capital by 1993. Jacques Delors is the true architect of that extraordinary project, which is capable of opening a new phase in the development of the European states, and he is also demonstrating in practice his commitment to the idea of broad cooperation between the EC and the Soviet Union and of assistance to our country in implementing economic reforms.

In a speech at the Cabinet of Ministers meeting and in an interview for the "Vremya" program, Jacques Delors stressed, in particular, that the EC has decided to assist the process of perestroyka, because it believes that this will enable the Soviet Union to embark on the road of democracy and economic modernization. Cooperation and technical assistance will help your country to enter the world economy, especially as you have immense human and material resources, he said.

Perhaps there is even some symbolism in the fact that, after the meeting with Jacques Delors, that great master of the creation of market mechanisms, the USSR Cabinet of Ministers embarked on a discussion of specific ways of going about privatization and dismantling state control in our country.

Delors Gives Moscow News Conference 20 Jun

LD2006181391 Moscow TASS in English 1807 GMT 20 Jun 91

[By TASS diplomatic correspondents Alexandr Kanishchev and Leonid Timofeyev]

[Text] Moscow June 20 TASS—EC Commission President Jacques Delors told a news conference in Moscow today that his visit aimed at promoting practical cooperation between the European Communities and the Soviet Union and the implementation of the EC programme to assist Soviet reforms.

The news conference was held after a two-hour conversation with Soviet President Mikhail Gorbachev. During his two-day stay in the USSR, Delors also held talks with Prime Minister Valentin Pavlov, member of the Security Council Yevgeniy Primakov and First Deputy Prime Minister Vladimir Shcherbakov, as well as addressed the Cabinet of Ministers and representatives of Union republics.

Delors recalled that his proposals on cooperation programme between the Soviet Union and the European Community were accepted last December upon completion of the European Council meeting, involving heads of state and government of the Common Market. The programme involves food deliveries to the USSR worth some 150 million dollars, of which two thirds must be allocated in the form of credits, the rest in the form of gratuitous aid. On the whole, the EC programme for 1991 provides for giving 450 million dollars in aid to the Soviet Union.

"My current visit to the Soviet Union," Delors said, "coincides with the practical implementation of this EC programme."

Speaking about his meeting in Moscow with Gorbachev, Delors said the Soviet leader set out "his view of the London summit".

On the EC programme for the USSR, Delors said that first food supplies to the USSR were carried out by the community this month, as for the credits they will be negotiated to ensure that food arrives here at the most suitable moment for the Soviet economy.

On the technical cooperation programme, Delors said that the mixed commission on cooperation had done a lot of preparatory work. The programme, he said, covers personnel training, cooperation in nuclear power engineering, the oil and gas industry, transport, financial services and distribution of food products.

These five sectors, he continued, will be handled by a coordination body representing the central government and Soviet republics. This body will pick up the most suitable projects. Delors said the EC "is capable of presenting the most extensive programme that has ever been conceived by the community".

"We hope that by the end of the year," he added, "we will prove the feasibility of a large technical cooperation programme that would aim at modernising the Soviet economy by training managers and entrepreneurs, by working out a legal framework meeting the requirements of the market economy, by granting financial services and distributing food products."

Assessing the importance of the EC programme for the USSR, the EC Commission President said: "Hopefully, we will be able to help the Soviet Union eliminate the bottlenecks that hinder it from tapping natural resources to the maximum. We also hope that we will be able to raise the safety of nuclear power stations. It is an extensive programme and it is extremely important that it come into force and yield real results by the end of the year. This will make it possible to map out an equally extensive programme next year."

Before replying to questions, Delors stressed that his exchange of views on Soviet reforms with the Soviet leadership was candid and they spoke "one language".

Delors expressed hope that the programme of technical assistance to Soviet reforms would be useful to the Soviet Union. The EC programme is the biggest assistance programme, he said, however it is not enough and it is important for other countries, firms and companies to take part in cooperation with the USSR.

The continuous evaluation is needed of the process of the programme realization, Delors continued, as the leading bodies of the European Communities are expected to report back to the taxpayers on the progress.

In addition it is necessary to make sure that the aid provided by the Twelve reaches the most needy. We expect the USSR Cabinet of Ministers to provide guarantees thereof in July, Delors said.

As regards President Mikhail Gorbachev's participation in the forthcoming G7 meeting in London, Jacques Delors noted that during their conversation, the Soviet leader stressed that his task was to see to it that the Soviet Union continue to make its contribution to the policy of new thinking after the end of the cold war

period and that the Soviet economy be integrated in the world economic relations. Delors also said: "What will take place in London will be of great political significance".

Asked if he found the present conditions in the Soviet Union better for economic development, Delors stressed that no economic reform was possible without preceding organizational reform, including the division of powers between the centre and republics. In this connection he noted that during their conversation Mikhail Gorbachev confirmed that his main efforts were directed towards finding accord between the centre and republics on the economic reform programme and the division of powers.

Delors expressed the wish to see the prompt beginning of the implementation of the anti-crisis programme currently debated in the country. "Manly efforts" are needed, he said, to force the way out of this circle because in his view the situation in the Soviet Union has improved little as compared with the previous year.

Ends Visit, Departs Moscow

LD2106085991 Moscow TASS in English 0831 GMT 21 Jun 91

[By TASS diplomatic correspondent Aleksandr Kanishchev]

[Text] Moscow June 21 TASS—Jacques Delors, president of the Commission of the European Communities (CEC), who stayed in the Soviet Union on an official visit as guest of the Soviet Government, left here today.

During the three-day stay here, Delors had a meeting with President Mikhail Gorbachev, held talks with Prime Minister Valentin Pavlov, met Academician Yevgeniy Primakov, member of the USSR Security Council, and Vladimir Shcherbakov, first deputy prime minister, and addressed a USSR Cabinet meeting with participation of representatives from union republics.

The principal aim of the visit was to promote practical cooperation between the European Communities and the USSR and implement a programme, mapped out by the EC in December last year, to promote reforms being effected in the Soviet Union, Delors told a news conference here on Thursday at the close of official talks.

During the visit Delors was told in detail about the current state of affairs in the Soviet Union. During the meeting in the Kremlin, President Gorbachev set out his approach to the forthcoming Group of Seven (G-7) economic summit in London.

On the whole, Soviet political analysts believe, the CEC president's visit to the USSR proved very useful and fruitful.

Evaluating the importance of the EC food and technical programme for the USSR, Delors stated in Moscow as follows:

"We hope that we shall help the Soviet Union eliminate bottlenecks that now prevent it from utilising its natural resources to the utmost.

"I also hope that we shall be able to enhance the safety of nuclear power stations. This is an extensive programme and it is of pressing importance to me that it come into operation and that there be tangible results by the end of the year. This will enable us to draw up a similar extensive programme for next year."

Brussels Envoy Voronin on USSR-EC Relations

PM2006094991 Moscow PRAVDA in Russian 19 Jun 91 Second Edition p 5

[Interview with L.A. Voronin, USSR permanent representative to the EC in Brussels, by correspondent V. Peresada; date not specified: "'Relations on the Upswing'"]

[Text] [Peresada] Lev Alekseyevich, I would like to talk about our relations with the EC, but first let me ask you a personal question. You were a member of the government for a long time and quite recently you held the post of first deputy chairman of the USSR Council of Ministers. Now you're in Brussels. Why? Perhaps because Ryzhkov retired? Or is this your own "retirement," so to speak, into "a quieter job"?

[Voronin] There are no secret reasons behind this. My leaving for Brussels has nothing to do with Nikolay Ivanovich's retirement since there was a total reorganization of the government, including a structural reorganization, much less with my own intention to find a "quiet" or, let's be blunt, "cushy spot" because that's something I have never sought and will never seek.

After the government reshuffle I had several offers of work. Including some with fairly high pay and, incidentally, with a far smaller workload and less responsibility than here. I chose this because I thought that, in a field such as links with the Common Market, my experience of economic work, particularly over the last few years, could be most useful.

[Peresada] How has the new job turned out—is it more difficult or easier than you expected?

[Voronin] It is fairly complex. Above all in view of the nature of the permanent mission's actual task here—to seek to ensure that cooperation with the EC promotes the formation of market relations within our economy as much as possible.

[Peresada] As far as I am aware, you were thrown in "at the deep end"—you came from Moscow right to a session of the joint commission on EC-USSR cooperation? How did it go?

[Voronin] It took place in a very constructive and benevolent atmosphere, which once again showed that, despite rough patches, our relations are on the upswing. This session has been described as unusual in Brussels—

and not for nothing, in my opinion. It finally got down to practical work on a number of the outlined programs and also concretized the prospects for cooperation—something that is extremely important for our country.

[Peresada] Could you talk in greater detail about the results of this session?

[Voronin] First, a memorandum was signed on urgent humanitarian aid to the USSR of 250 million ECU's [European Currency Unit] (roughly $300 million). As is well known, the EC took the decision to provide this aid—mainly food—last December, but it remained "theoretical." Deliveries have now begun, and it is very important that the freight transportation be organized efficiently.

Second, considerable progress was made in coordinating the technical aid program—worth 400 million ECU's this year.

[Peresada] What is happening to the food received? How tangible will this support be?

[Voronin] The food is destined for particularly needy strata of the population. We have given the EC Commission specific addresses—mainly kindergartens, children's homes, old people's homes, and hospitals.

Of course, neither this aid nor even more sizeable aid (EC food aid worth 500 million ECU's in the form of preferential credits is to be implemented in the near future) can fundamentally resolve the problem. But this does nonetheless provide some help and—and this is the main thing—a factor of moral importance, a real expression of support.

[Peresada] When speaking about cooperation with the USSR, people at the Common Market's Brussels headquarters put the emphasis on technical aid. How is that important for us?

[Voronin] It is important above all in terms of its objective—to help create a market economy mechanism in the Soviet Union and develop enterprise. Five main areas are envisaged: power generation, transport, finance and services, food distribution, and cadre training.

Power generation is the most important of these areas. We are very interested in joining in pan-European power generation cooperation. The USSR possesses the requisite natural resources, and we in turn need state-of-the-art technologies and equipment to open up new oil and gas deposits. What is our potential here, where is our "start reserve"? Paradoxical as it may seem, it lies in resource-saving. By using progressive technologies and equipment, we could make substantial savings in oil and gas and thus settle our debts to EC countries' firms. We must begin by organizing resource-saving. I see this as one of the fundamental and practical spheres for cooperation, not only within the framework of EC-Soviet accord, moreover, but also with the Western business world direct.

[Peresada] Isn't the granting of technical aid accompanied by some conditions—political conditions, for instance?

[Voronin] There is one condition: That the aid should be used for the appropriate purpose. This constitutes not an abstract allocation of funds but a quite specific program. Hence the corresponding demands made on our enterprises, departments, and republics.

Incidentally, I would not like to paint an optimistic picture when talking about this. The coordinating body for the use of the technical aid is only just setting its work in train in the USSR; no draft has been received here, or adopted, or formalized by contract. However, all aspects of the funding still have to be ratified by the EC Commission. We simply have no time for warming up. It is all the more important to make sensible use of the aid since the EC Commission is already considering the possibility of granting aid again next year—clearly on a larger scale, moreover. I believe that we will be able to organize everything properly from the very outset so that, thanks to this program, we will be able to involve the West European business world and its capital in developing our national economy; if we cannot do that, we have only ourselves to blame.

[Peresada] How are things going with the implementation of our agreement on cooperation with the EC? It is well known to be one of the biggest ever concluded with a non-member of the Twelve. And it is also well known that, the bigger the accord, the more difficult it is to give it concrete substance...

[Voronin] That's true, notably as regards our agreement. The combined commission has analyzed the state of affairs in detail. There are palpable improvements in some areas—for instance, in the sphere of technical aid, which I have already mentioned, or, say, in the work of the subcommittee on customs questions, which has formulated a number of programs, including a project to computerize the USSR customs service. Subcommittees for power generation, transport, mining, and macroeconomics have been set up in order to generate the same momentum in a number of other areas. I would like to single out the latter, which is quite new in essence and of very great significance. It will analyze the processes taking place in our economy, and consultative and expert aid from EC specialists will be organized on the basis of its recommendations.

Unfortunately, the ecology subcommittee has to all intents and purposes been idle and the work of the subcommittee for scientific and technical cooperation has not been sufficiently effective. The result is that in both spheres we have failed to reach the point for which we were striving—the possibility of making practical use of Common Market countries' technologies, equipment, and experience. This must be set to rights as a matter of urgency.

I would like to touch on USSR-EC in another sphere. The Common Market is proposing to conclude association agreements with East European countries, which can then be admitted to the organization in the more distant future as new members. What are the prospects for our relations?

[Voronin] Unlike East Europe, it is not of course a question of associative ties between the USSR and the Common Market, much less of its joining that organization. It is not in principle our current difficulties that are the reason for this, but the colossal scale of the Soviet economy and the state as a whole. Everyone is aware of that—both they and us.

Nevertheless parameters for our future relations are gradually emerging. At last year's Rome conference the EC heads of state and government began to talk abut a new, particularly large-scale agreement with the Soviet Union. For our part, we are also in favor of concluding this kind of agreement. In view of the mutual interest the joint commission has already raised the question of an expert study of the concept.

[Peresada] EC [Commission] President Jacques Delors is beginning an official visit to our country. What will be the focus of the Moscow talks?

[Voronin] It will be what we have just been talking about: deeper practical cooperation between the two markets—the highly experienced Western market and the emergent Soviet market.

First Shipment of EC Food Aid Arrives

PM2006141791 Moscow PRAVDA in Russian 19 Jun 91 Second Edition p 5

[Report by A. Boldinyuk: "Aid from Europe Again"]

[Text] A planeload of food—50 tonnes of baby food and 46.5 tonnes of dried milk—landed in Moscow late Monday [17 June] night. This is the first consignment of food aid to the Soviet Union from the EC. In all, 105,000 tonnes of food will arrive in our country over the next six months.

The total value of the aid, direct shipments of which began 18 June, is 250 million ecus (around $300 million). The handover ceremony for the first consignment of food was attended by EC Ambassador M. Emerson, Luxembourg Ambassador H. Wuert, and representatives of the German Red Cross. The fact is that the EC has arranged for nongovernmental organizations to ship and distribute the aid.

B. Hausmann, a representative of the German Red Cross, reported that the first consignment had been wholly bought in Germany, but that in the future purchases would be made in other EC countries. In order to obtain funds in rubles and cover their transport costs on Soviet territory, the organizers of the shipments intend to process and sell 10,000 tonnes of dried milk in the Soviet market. It is to be hoped that the rest of the aid will not end up on store shelves but will be distributed among those who really need it. Around one-half the total cargo of 105,000 tonnes will be made up of dried milk. Some 10,000 tonnes of baby food, 20,000 tonnes of canned meat, and 8,000 tonnes of beef carcasses, pasta, and tomato paste will be supplied too.

The aid—to be distrubuted under the control of the Soviet Red Cross—will go to virtually all Soviet republics.

European Bank President on Western Aid

LD2006210191 Moscow Central Television First Program Network in Russian 1630 GMT 20 Jun 91

[From the "Topical Interview" program]

[Text] Jacques Attali, president of the European Bank for Reconstruction and Development [EBRD] is a pragmatist and a supporter of active immediate assistance to the Soviet Union. The financial potential of the bank, which was officially opened on 15 April, is limited for the time being. To a significant degree, its role will amount to consultations on technical assistance. But the bank's main aim in its relations with Eastern Europe and the USSR is to establish an entrepreneurial climate at the grass-roots level by encouraging the emergence of small companies. A plan devised by the bank to promote and stimulate economic transformations in the USSR will be considered at the G-7 meeting in London in July. Its starting points are the privatization and liberalization of the Soviet economy.

[Pototskiy] Mr. Attali, the subjects on which the attention of the Soviet and world press has been focused for at least a month are the forthcoming London meeting of the G-7 leaders, the prospect of the Soviet Union's participation in it, and the possibility of large-scale economic aid to the Soviet Union. It is known that the USSR president will meet the G-7 leaders immediately after their conference in London, that he will not have observer status at the conference itself, and that we should not count on large-scale economic aid as a result of the meeting. But what should we expect from it?

[Attali] You know, this opportunity to meet the G-7 leaders, in order to explain his position and to participate in a discussion of the forms of cooperation, is a very important factor and, in my opinion, an immense victory for President Gorbachev. I do not think it is in the Soviet Union's interest to talk about aid. Yours is an enormous, strong country. You are a mighty power. Therefore, I prefer to talk about cooperation between the Soviet Union and the rest of the world. In my view, this forum will be an excellent oportunity to discuss and establish that kind of cooperation—cooperation on joint projects. We have to understand that an improvement in the Soviet Union's economic position is also in the interests of the West, and not just those of the Soviet Union itself. You are a huge country with an enormous market, and if your economy becomes more flexible and

closer to a market economy, that will also benefit the West, and especially Europe. So, it is not only in your interests to achieve this, the whole world needs it. Then, the Soviet Union does not need very large-scale aid. What it needs is large-scale cooperation, and both the European Bank and other international institutions will work on that.

[Pototskiy] This is what I wanted to ask you, in fact. To what extent should a country such as the USSR depend on aid?

[Attali] No country should depend on aid. The USSR does not depend on it, nor will it ever depend on it. But any country in the world has to depend on other states, including even those which are doing very well, such as the Netherlands. The latter keeps 40-50 percent of its internal gross product open for foreign trade and nobody says that it is not completely free or independent. On the contrary. It is a prospering, free, and independent state but a state which is open to the whole world. Take France, my own country, or the United States: Any country wants to be open to the world in order to learn and accept new ideas from others. And it is good when the ideas are taken on board. Therefore, the openness of an economy is an advantage—not its dependence.

[Pototskiy] Obviously the success of any attempt at reform depends on two things: a country's own desire to develop and aid from outside.

[Attali] No, no. The success of reform depends on two things: First, the ability to adopt a clearcut reform program both on a global and a regional scale. This is what is being done here in my view. You are on the right track, though not enough has been done so far. I think that you have to sort out relations between the center and the republics. You must resolve the question of the ruble's convertibility and stabilize your situation. And you must recognize the role of the private sector in conditions of market reforms. This must be done.

How can the international community help? Primarily with advice and money for you to organize these processes. Second, you must open your borders for trade and the creation of joint ventures in various spheres for Western companies to invest money in the Soviet economy, and for the Soviets to invest in any country in the world.

And finally, you must make the USSR a full member of the international community, a member of the International Monetary Fund and the European Bank—admittedly it has already become a member of the European Bank—so that it can obtain aid just like any country, any European state, as it needs it. But of course, that is not a matter of terms or conditions but of cooperation.

It is primarily your leaders to shoulder the burden of your problems, and I know that they know that. When they move in the right direction, as they are doing now, they can be sure of cooperation of the rest of the world because the whole world is interested in it.

[Pototskiy] Nevertheless, is there any difference in the way Europe, the United States, and Japan, for instance, approach the USSR and its problems? Surely the existing differences are similar to the ones between the European Bank and the World Bank?

[Attali] I do not think it is true, if you will permit my saying so, because the Americans and the Japanese are members of the European Bank. This alone proves that both the United States and Japan are very prepared to move toward cooperation with the USSR. I do not think that there are any such divergencies.

[Pototskiy] The difference is that some are ready to help immediately while others want to postpone aid until they have completed their study of the situation and become convinced of the sincere desire for genuine reforms.

[Attali] I think it is a matter of understanding. You may expect pleasant surprises. We are working on this. The European Bank is a unique institution in the world and it unites the USSR, Japan, and Europe. It is a place where one can attain mutual understanding faster. We are doing this.

[Pototskiy] If the G-7 meeting in London decides to give technical aid to the USSR, will this mean that the European Bank will receive more funds?

[Attali] We have no problem with technical aid. And we are not expecting anyone to give us the green light. We will deal with this and we are not expecting any additional funds; we have plenty. Of course, if we can obtain more—all the better. Where we do need the green light is for concluding broader accords to fund various projects of privatization and organization of the structure of the market economy. What could be interesting.

[Pototskiy] What specifically is the purpose of your visit to Moscow?

[Attali] To meet with President Gorbachev and to discuss with him the stage of his reform and to be an honest intermediary in the preparation of future international meetings.

[Pototskiy] What are your impressions now?

[Attali] In my view the Soviet leader is working in the right direction. He is working persistently in concrete and specific directions. And I am very optimistic about the future.

[Pototskiy] Here is my last question. What are the bank's priorities for giving technical aid to the USSR? Do they coincide with the reform program in the country?

[Attali] Yes, definitely yes. We are working on global fundamental questions, such as the creation of an infrastructure, the problem of privatization and distribution. We have organized technical aid in the fields of power

engineering, and conversion. There is an agreement with the Mossoviet to organize the process of privatization within Moscow. We have concluded an agreement with Gosbank on the organization and creation of a commercial bank, and so on.

[Pototskiy] Thank you.

[Attali] Thank you very much.

German Minister on Aid: 'Wait and See'

PM2006123291 Moscow IZVESTIYA in Russian 20 Jun 91 Union Edition p 4

[Interview with Juergen Moellemann, German minister of economic affairs, by IZVESTIYA correspondent A. Balandin and special correspondent S. Guk in Bonn—date not stated: "Juergen Moellemann: It Is in Our Interests To Integrate the USSR Into the World Economy; The FRG Minister of Economic Affairs, a Participant in the Forthcoming G-7 Meeting, Answers IZVESTIYA's Questions"]

[Text] [IZVESTIYA] The heads of state and government of the seven leading industrial countries have finally agreed to invite USSR President Mikhail Gorbachev to the forthcoming summit meeting. The West has declared its readiness to support Soviet reforms. What can Moscow expect—as a minimum and as a maximum?

[Moellemann] Do you really expect me to give you concrete figures for the extent of financial aid? Specific sums from the West are not going to be agreed on at the economic summit; it will most likely be a question of establishing a link between subsequent steps realistically directed toward the transition to a market economy in the Soviet Union, and simultaneous, step-by-step support from the West. Here it will be a question of beginning a constructive dialogue between the G-7 group of industrially developed countries and the Soviet leadership, with a view to supporting the process of transition to a market economy in the Soviet Union, and perhaps with the aim of achieving a consensus on how each side can cooperate to promote the success of this process.

[IZVESTIYA] On what terms is the West prepared to help? What forms could this aid take, and what will it actually look like?

[Moellemann] I would like to talk about preconditions, rather than terms. I consider it important that, after a series of unsuccessful attempts, a plan should be proposed, adopted, and implemented in the Soviet Union which will gradually but irreversibly create the main preconditions for a market economy: For instance, private ownership, free enterprise, free pricing, domestic and foreign trade free from administrative restrictions, competition between enterprises, the abolition of subsidies or state intervention in the economy, the introduction of modern economic legislation, and the creation of an emissions bank independent of the state. In the event of Western aid being granted in the course of the implementation of these undoubtedly difficult, historically unprecedented reforms, the results in the first instance will not depend, or not entirely, on the granting of credits or deliveries of goods; it will basically be a question also of providing consultative services and transferring experience, including what looks like a truism: that nowhere in the world has anyone yet succeeded in creating an economic system with individual elements of the market economy while retaining a basically administrative form of economic management. Such a system is not viable, it is like being "slightly pregnant."

[IZVESTIYA] Why has the West decided anyway to help its former sworn enemy—the USSR? Apart from sympathy, a part is probably played here by pragmatic considerations: The economic collapse of the USSR, a nuclear power, would entail dangerous consequences for the West. What other motives have we not mentioned?

[Moellemann] It is time to jettison the sinister picture of the "sworn enemy" onto the garbage heap of the forties. Today all leading figures in the West share the view that promoting the process of implementation of economic reforms in the Soviet Union and the USSR's integration into the world economy is in the common interest. Such assistance helps ensure security and stability in Europe. Furthermore, as an economically strong country, the Soviet Union would be a better partner in trade and production sharing. Lastly, the existence of the present gap in levels of prosperity between West and East cannot long be tolerated.

[IZVESTIYA] At present different degrees of willingness to offer aid can be observed. President G. Bush, for instance, made it known that the United States should not be counted on particularly, since it has its own serious budget deficit. Does this mean that the "Seven" lack a united stance, and each state will act independently? Or can we expect a united strategy after all? How should all this be seen? What role could the EC play here?

[Moellemann] The potential for granting additional financial aid to the Soviet Union is very limited in all countries, and that includes us, because Germany has already allocated to the Soviet Union, or is to grant it in the next few years, material aid amounting to a total of more than 50 billion Deutschmarks. I am convinced that now, after the implementation of various measures to grant assistance bilaterally, it will be possible to begin multilateral operations in coordination with the Soviet side. The economic summit in London and the consultations to be held there with President Gorbachev will map out this path. As for the form this will take and the part that international organizations will play in it, I can only say: Wait and see.

Ivashko Receives Greek Communist Delegation

PM2006150591 Moscow PRAVDA in Russian
20 Jun 91 Second Edition p 4

[TASS report under the general heading: "Official Reports"]

[Text] On 19 June V.A. Ivashko, deputy general secretary of the CPSU Central Committee, received A. Papariga, secretary general of the Greek Communist Party [KKE] Central Committee, who is visiting the Soviet Union at the invitation of the CPSU Central Committee. During a conversation which took place in a comradely atmosphere they exchanged opinions on the international situation, the situation in the international workers and communist movement, and the development of CPSU-KKE cooperation.

O. Kolozof and P. Trigazis, KKE Central Committee Politburo members, took part in the conversation along with Ya. Mavromatis, chairman of the KKE Central Committee Economic Commission, and V.S. Rykin, deputy head of the CPSU Central Committee International Department.

Supreme Soviet

Gorbachev, 'Mafiosi' Criticized at Session

PM2106104791 Moscow SOVETSKAYA ROSSIYA in Russian 20 Jun 91 First Edition p 1

[TASS report under the rubric "At the USSR Supreme Soviet": "The Parliament's Accelerated Pulse"]

[Excerpts] The sharp debate which had developed at the USSR Supreme Soviet session on V.S. Pavlov's report on the socioeconomic and sociopolitical situation in the country had to be briefly interrupted. The deputies who had gathered 18 June for the latest joint sitting of the chambers interrupted their discussion in order to hear a briefing on the session of the preparatory committee for the elaboration of the draft Union Treaty which had taken place on Monday. [passage omitted]

As for the discussion of the draft resolution on the Prime Minister's report, most of the deputies who spoke in the debate supported his main thesis. Its essence consists of the claim that the USSR President and the Cabinet of Ministers "organized inadequately the implementation of the USSR laws passed by the Supreme Soviet and did not make full use of the existing constitutional rights and additional powers bestowed on the president to stabilize the economic and sociopolitical life in the country."

The debate went far beyond the framework of the draft resolution which the deputies were discussing, becoming highly emotional at times. The theme of the crisis situation in the country and society frequently assumed tendentious hues in the speeches of certain deputies, and emotion won the upper hand over a sober assessment of what is happening. In the heated atmosphere criticism—of the president among others—was to be heard. So Deputy L.I. Sukhov declared: "Down with Gorbachev, and down with the group of mafiosi who surround him." In his opinion the main "mafiosi" in his entourage are A.N. Yakovlev, E.A. Shevardnadze, and A.G. Aganbegyan, who "are seeking a refuge in the West." The rejoinder of V.I. Alksnis claiming that there is no authority in the country and that therefore the government should be given additional powers "to save" the state, was in the same key. Deputy S. Umalatova went even further, demanding that the president be deprived of his powers which should be bestowed on the Cabinet of Ministers. A number of parliamentarians called for a convocation of an extraordinary Congress of People's Deputies "to resolve the question of power."

Is there any need to invest the Cabinet of Ministers with additional powers? Replying to this question, Deputy E.A. Pamfilova declared that the Premier had failed to adduce convincing arguments and to explain the essence of the powers that are being sought and their extent. She resolutely rejected the attacks on the president emphasizing that a confrontation between the head of the state and the government is impermissible. This approach met with the understanding and support of a considerable section of her colleagues. [passage omitted]

Lukyanov Says Gorbachev May Attend Debate

LD2006153691 Moscow Radio Moscow World Service in English 1200 GMT 20 Jun 91

[Excerpt] The discussions of the Soviet national parliament scheduled for Friday draw the attention of all political observers and experts in this country. Parliament is to adopt a decree to draw a line under the debates on the report by the Prime Minister Valentin Pavlov about the nation's economic standing. The MPs are to take a decision on a key question of the delimitation of powers—should the Pavlov cabinet be given extra powers or not? More from our commentator Vitaliy Gurov:

[Gurov] The Moscow-based NEZAVISIMAYA GAZETA newspaper has called the initial debates on the problem a parliamentary crisis, but I believe it's a little ahead of time to say so. The question has not been fully resolved. Not all the main participants in the action have joined the discussions. Judging by some words of the parliament's chairman Anatoliy Lukyanov, debates may continue on Friday with the participation of President Mikhail Gorbachev. [passage omitted]

Most analysts see in Premier Pavlov's proposal not only a desire to get extra powers for a certain period of time but also an attempt to have a greater influence on the nation's economic and social development.

One should not discount either that at the same time in the highest echelons of power a program by Grigoriy Yavlinskiy, a young talented and ambitious economist, is circulated. [passage omitted] Although official views of the program have already been aired as running counter to the anticrisis program of Premier Pavlov, it is obviously necessary to take into account the rather complicated situation for the Cabinet related to the Yavlinskiy program.

In their turn MPs are concerned about their own destiny in view of the coming signing of the Union treaty. This can mean automatic dissolution of parliament before its term is up. And so the MPs are ready to support any proposal that would guarantee a safe future for them. In this view attention is paid to the stand of the parliamentary Soyuz Group, who only recently vigorously criticized Premier Pavlov for what they called his unpopular policy of prices. Today they regard the prime minister as their ally in slowing down the radical reforms in this country. And so this obviously has political strings attached to it.

Whatever the case it is apparent that the last days of this week in parliament should be stormy. Is a parliamentary crisis possible? Is a face-off possible between the national parliament on the one hand and the president together with the leaders of Union republics on the other who now make up [words indistinct], all the efforts of which are aimed at reaching national accord. It is likely that the answers to these questions will be given on Friday.

Gorbachev Sees 'No Problems' With Pavlov

LD2106103191 Moscow All-Union Radio First Program Radio-1 Network in Russian 0900 GMT 21 Jun 91

[Report by correspondent Vladimir Korablev]

[Excerpt] [passage omitted] Speaking at today's USSR Supreme Soviet session, Anatoliy Ivanovich Lukyanov reminded deputies that the Supreme Soviet is due today to conclude its consideration of the question connected with Prime Minister Pavlov's information report on the social, economic, and political situation in the country. Valentin Sergeyevich Pavlov delivered this report in parliament on Monday at the request of members of the Supreme Soviet. During the debate of a draft decision on the matter under discussion, however, serious differences arose over a broadening of the rights of the Cabinet of Ministers to tackle urgent problems. Then on Tuesday a working group of deputies was given the task of preparing a new draft decision by the Union parliament. Two such drafts have now been prepared.

When discussion of the draft decisions began, however, certain deputies began to speak of the fact that serious differences have arisen between the country's president and the prime minister. In this connection Mikhail Sergeyevich Gorbachev, who addressed this sitting of parliament, said that Comrade Pavlov's information report reflected above all the parliamentarians' lively interest in the work of the Cabinet of Ministers and its actions in the new situation.

Mikhail Sergeyevich emphasized that the Cabinet of Ministers has the support of the president. At present, it is carrying a fairly big load connected with implementation of the anticrisis program. He stressed that there are no problems between Pavlov and Gorbachev. He also criticized fairly sharply the leaders of the Soyuz group of deputies, whose actions, in Mikhail Sergeyevich Gorbachev's view, are directed at destabilizing the situation in our society. Mikhail Sergeyevich answered numerous questions from people's deputies.

After the interval the members of the Supreme Soviet will return to the discussion of draft decisions of the Supreme Soviet on the USSR prime minister's proposals regarding the Cabinet of Ministers' urgent work and its regulatory powers.

Amendments to Privatization Bill Outlined

PM2006154991 Moscow PRAVDA in Russian 20 Jun 91 Second Edition p 2

["Parliamentary Commentary" by Miroslav Buzhkevich: "More About Privatization"]

[Text] There was no plenary parliamentary sitting yesterday. Deputies and members of a number of USSR Supreme Soviet committees and commissions discussed the draft Law on Fundamental Principles of Destatization and Privatization of Enterprises.

Deputy A. Boyko, leader of the working group, delivered a report on the progress made in finalizing this document. He said that deputies and public organizations are paying great attention to the draft law. The group has received many suggestions and even alternative drafts. They reflect the contradictory attitude to destatization and privatization among both the population and those who look after its interests. Some people are demanding accelerated, almost all-out destatization and privatization, while others reckon that this is nothing less than a betrayal of socialism, a departure from the gains of October.

Here are some typical statements in this connection: Property is the people's asset and the parliament is striving to declare it state property, that is, as belonging to no one. It is further claimed that working people will defend their property with all the means at their disposal. With all the consequences that may entail (!). Very categorical statements are being made. Although if we ask a working person whether he feels himself to be the master of this property, we most frequently hear that he has never felt himself to be the master. Perhaps, they've now had enough of speaking for all working people, no more and no less —and in such a confrontational style at that.

In A. Boyko's opinion, both sides have gone to extremes and are therefore wrong. He was later backed up by one of the experts who spoke, a representative of juridical science, who said that destatization and privatization pose no threat to the constitutional system since the Fundamental Law says that the state creates the conditions needed to develop various forms of ownership and defends them equally. As for destatization and privatization themselves, world experience shows that this is a long process and it is extremely dangerous to force it.

Speaking about the changes that the working group had made to the text of the draft law, A. Boyko first described the amplification saying that the labor collective still has the deciding say on the question of privatizing an enterprise. Depending on the form of ownership it chooses, that is what the enterprise will become: leasehold, joint-stock etc. Although the state will still have the right to privatize forcibly those enterprises that are sustaining losses in order to not pander to the egotism and free-loading of their collectives hoping for subsidies.

Various suggestions were made on how to carry out destatization and privatization: by handing enterprises over to labor collectives free of charge or for a certain sum of money. The opinion prevailed that both forms should be combined, with account taken of specific conditions.

Deputies—like all of us, moreover—are worried by the question of whether "shadow" economy operators will be able to buy not only small-scale service, trade, and public catering enterprises. Parliamentarians reckon that the introduction of a system of declarations whereby a person has to prove the legality of his income should

form one barrier. It was suggested that so-called loans from relatives and friends should not be taken into consideration.

The question of foreign investments was also discussed. Admittedly, foreign businessmen are as yet in no hurry to invest capital in our economy. They are frightened off by our country's political instability. But after the signing of the new Union treaty they will obviously make more vigorous efforts. The plan is to fix quotas restricting the amount of these investments in privatized enterprises to ensure that foreign businessmen can not take possession of a considerable proportion of our property.

In the course of previous discussions of the draft law at parliamentary plenary sittings a dispute flared up on who is to have control of the State Property Fund which is, figuratively speaking, to orchestrate the entire destatization and privatization process. Many people reckoned that this should be the country's Supreme Soviet. Those opposed to this said that it would be hard for the parliament—the country's supreme legislative body—to control it efficiently. The following formula was put forward following the debate: The State Property Fund is part of the government, under the jurisdiction of the country's president, and accountable to the USSR Supreme Soviet.

After a trenchant but constructive debate, deputies tasked the working group with drafting a definitive version of the draft law and submitting it to a plenary sitting of both chambers of parliament next week in order to continue the discussion.

Supreme Soviet Honors World War II Dead

LD2106105291 Moscow TASS in English 1043 GMT 21 Jun 91

[By TASS parliamentary correspondent Ivan Ivanov]

[Text] Moscow June 21 TASS—The USSR Supreme Soviet today observed a minute's silence in remembrance of the Soviet people who died in the Great Patriotic War of 1941-1945. It will be 50 years on June 22, 1991 since Nazi Germany unleashed the war against the Soviet people.

In conjunction with the 50th anniversary of the beginning of the Great Patriotic War, the federal parliament adopted an appeal to the peoples of the Soviet Union and an appeal to the parliaments and peoples of the world.

"Our people suffered an immeasurable loss—27 million people laid down their lives for the freedom and independence of the world and for freedom from the fascist plague," Soviet parliament chairman Anatoly Lukyanov stressed in his speech.

He recalled that the Great Patriotic War "did not bypass a single family, a single section of our society." He said "it was exactly the socio-political unity of our society that allowed the country to pass this test and defeat the enemy."

"This war brutally struck every nation, every ethnic group of our country. But their great unity, understanding, and interaction formed the basis for the Soviet people's victory in the war," Lukyanov said.

Marshal Sergey Akhromeyev, who was next to speak, emphasised that it was inadmissible to cast aspersions on history and the Soviet people's victory in the war against fascism. Admitting that the military and political leadership committed some errors at the beginning of the war, Akhromeyev stressed that the country's leaders took those errors into account in their subsequent actions and drew salutary lessons from them.

Political & Social

Draft Union Treaty Submitted to Republics

OW2006072391 Moscow INTERFAX in English 1830 GMT 19 Jun 91

[Following item transmitted via KYODO]

[Text] The draft Treaty on the Union of Sovereign States has been presented to the Supreme Soviets of the republics. The treaty consists of 26 clauses and a preamble.

It stipulates that "the membership in the Union is voluntary" and that "the Union is open for admission to other democratic states recognizing the present Treaty". "The states forming the Union keep their right of free secession according to the procedure established by the members of the treaty and reflected in the Constitution and the Union Laws."

The treaty has it that its members "recognize the borders existing between them at the moment of signing the treaty".

"No use of the Union Armed Forces is allowed within the country except in coping with the consequences of natural disasters and ecological accidents, also in cases specified in the law on the emergency situation".

The powers given to the Union include the protection of its sovereignty and territorial integrity, the defence and state security of the Union, its foreign policies and coordination of the republics' foreign policies, conclusion of international treaties and economic agreements. It's also the Union's prerogative to adopt and carry out the Union budget, issue banknotes, keep the gold, diamond, and foreign exchange reserve...

The joint prerogative of the Union and the republic includes the military policies of the Union: single draft and army' service, the activities of the troops and displacement of military facilities on the territory of the republics, and the administration of the defence industries.

The joint spheres also include the decisions on the USSR's foreign policies, the running of the Union's foreign debt, and the execution of a single financial, credit, monetary, fiscal, insurance and price policy based on a single currency, also work on a single policy in energy and fuel resources...

The members of the Treaty proceed from the fact that "with the emergence of the national market the need for direct government administration is reducing. The necessary redistribution and changing of the powers will be carried out with the agreement of all members".

The clause on "Property" gives the ownership of land, its mineral deposits, waters, and other natural resources, also the flora and fauna to the republics as inalienable wealth of the nations." "The state property belonging to the Union is a joint possession of the member-states to be used in their common interests, including accelerated development of the backward regions.

The states forming the Union have a right to their shares of the gold, diamond, and foreign exchange reserve as per the moment of concluding the present Treaty. Their participation in their further accumulation and in the use of the treasure will be determined by special agreements".

The Treaty provides for continuity of the Union's government structure and rules that the legislative, executive and judicial organs of the present Union are to keep their powers till forming the ones of the new Union of Soviet Sovereign Republics in accordance with the present Treaty and the new USSR Constitution.

Revenko Says Republics To Decide on Union Ties

PM2006112791 Moscow KRASNAYA ZVEZDA in Russian 20 Jun 91 First Edition p 1

[Report by "Our correspondent": "News Conference by USSR President's Adviser"]

[Text] "The republics which do not sign the new Union Treaty will independently decide the question of their presence within the USSR," USSR presidential adviser G. Revenko said at a news conference in Moscow. Speaking about whether signing the Union Treaty means recognizing the state sovereignty of those republics whose representatives were not present in Novo-Ogarevo, G. Revenko remarked: "No one has any intention of dragging anybody into the Union by force."

What is the reaction of the leaders of the republics not involved in the preparatory process? The USSR president's adviser said that the leaders of a number of republics not involved in the Novo-Ogarevo process have shown an interest in expressing their position on future relations with the Union.

Reception of Yavlinskiy Plan 'Cautious'

LD2006145991 Moscow TASS in English 1403 GMT 20 Jun 91

[By TASS World Service news analyst Vladimir Isachenkov]

Moscow June 20 TASS— The "grand bargain" programme of economic reforms in the USSR, worked out by Soviet economists led by Grigoriy Yavlinskiy and their colleagues from Harvard University met with a more cautious reception in the Soviet Union than in the West, although it would be logical to expect the opposite.

Soviet Premier Valentin Pavlov received the "Harvard programme" rather coolly. He made it plain that the government intends to implement its own anti-crisis programme coordinated with republics.

He was supported by many deputies of the USSR Supreme Soviet. Chairman of the parliamentary Planning and Budgetary Commission Viktor Kucherenko even said that Yavlinsky's "shadow" appears on the horizon each time the USSR Government intends to take some decisive steps.

A cautious, though milder attitude to the "Harvard programme" was expressed also by Russian Premier Ivan Silayev. Apparently, the Russian Council of Ministers which has an economic programme of its own is not going to give it up either.

This is a perplexing attitude. There are many points of contact between these programmes. Although it is only statesmen who have had the opportunity to familiarise themselves with the "Harvard programme" so far, its main concept is clear from numerous interviews given by Yavlinsky of late.

Going by these publications, the "grand bargain" programme relies on the implementation of joint purpose-oriented programmes and Western expertise and technical assistance to the economic reforms in the USSR, and not on large-scale gratis aid. Both Pavlov and Silayev said it would be unrealistic to expect it.

Incidentally, Soviet Deputy Premier Vladimir Shcherbakov who has recently visited the United States together with member of the USSR Security Council Yevgeniy Primakov, suggested virtually the same ideas to the U.S. Administration as Yavlinsky and his colleagues. Shcherbakov and the authors of the "Harvard programme" pointed out that the West's gratis aid with consumer goods is desirable to enable the prompt freeing of prices in the USSR.

The "Harvard programme" also suggests that Western countries help create a currency reserve needed to make the rouble convertible on the domestic market. The same idea was advanced by Pavlov in his report on Tuesday.

The essence of the matter is not that the "Harvard programme" contradicts the government's plans, but whether the "grand bargain" can be implemented as an independent programme.

Soviet President Mikhail Gorbachev said he expects the proposals of Soviet and American economists will be enriched with new ideas. "I believe that all trends should be synthesised", he told reporters. He said that there should be no illusion either about the Cabinet programme or the work done in Harvard.

PRAVDA Reports 19 Jun Cabinet Session

PM2006141591 Moscow PRAVDA in Russian 20 Jun 91 Second Edition p 1

[TASS report: "The Market Needs Foundations"]

[Text] It is impossible to create a civilized market economy until the gaping holes in the legislative foundation have been plugged. The Union Cabinet of Ministers is playing an appreciable role in formulating juridical acts and in practical lawmaking. At a routine sitting 19 June the government adopted a whole series of decisions designed to remove obvious barriers in the way of the market.

Opening the sitting, USSR Prime Minister V.S. Pavlov stressed that the first draft law on the agenda, on mortgages on property, constitutes a means of ensuring that business partners fulfill their commitments. For the first time in 70 or so years the document authorizes, on the basis of the Law on Ownership, the mortgaging of any property or property rights, introduces an institution for mortgage registration, and makes it possible to mortgage the right to land.

The government also discussed for the first time plans to organize paid voluntary work. It is essentially a question, First Vice Premier V.I. Shcherbakov explained, of how to activate new opportunities for regulating employment and how to channel the energies of the potential army of unemployed into performing socially significant tasks. While by and large approving the draft resolution, the Cabinet proposed that it undergo considerable additional work.

The sitting's participants familiarized themselves with the concept for free enterprise zones. The speakers pointed out that some people today see these zones not as a means of stepping up foreign economic ties but solely as a chance to acquire certain privileges.

The discussion of the question of the apparatus of central ministries and departments was painful. The overall size of the apparatus has been cut by 32 percent and will henceforth total just over 36,000 people.

Members of the government were told that only 7 percent of the leaders of state management organs now possess basic economic education. This fact was the prelude to a discussion of the projected changes in the system of training and retraining leadership cadres. The union republic program that has been drafted proceeds on the basis of world experience and is designed to bring competent specialists with skills in problems of market relations to the helm of the national economy within a short period.

Marxist Platform Demands CPSU Congress

LD2006122891 Moscow TASS in English 1151 GMT 20 Jun 91

[Text] Moscow June 20 (TASS)—The Marxist Platform in the Soviet Communist Party demands the 29th Soviet Communist Party Congress be held before the end of this year.

The ideological movement unites Communist reformers and opposes both conservative forces in the party and the "liberal bourgeois wing in the Soviet Communist Party", which they say includes the Soviet president's senior adviser Aleksandr Yakovlev, former Soviet Foreign Minister Eduard Shevardnadze and Russian Vice-President Aleksandr Rutskoy.

A statement by the Marxist Platform, published today by the GLASNOST weekly, accuses Mikhail Gorbachev and other leaders of declaring their adherence to socialist choice, while "legislative acts aimed to destroy public property evidently run counter to their statements".

Orthodox Communists To Meet in Moscow 29-30 Jun

LD2006214791 Moscow TASS International Service in Russian 1624 GMT 20 Jun 91

[By TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow, 20 Jun (TASS)—The Movement for a Communist Initiative (DKI), which groups together the country's orthodox Communist, will hold the Moscow session of its second congress on 29-30 June this year. This was announced today at a news conference in Moscow by members of the movement's organizing bureau. The Leningrad session of the second congress was held last May.

At the forthcoming congress it is planned to discuss the alternative CPSU program which has been drafted by the DKI. To all intents and purposes this calls for a return to the old, dogmatic approaches toward the life of society and the party and to the type of economic development which existed before perestroyka.

Representatives of the DKI's organizing bureau, economics professor Boris Khorev and philosophy professor Richard Kosolapov, lashed out at "the present leadership of the country and the CPSU." In their view the CPSU "has abandoned its social base, since it now upholds the interests of small-scale property owners and black market bourgeoisie who have already filled their pockets." In this connection the DKI's draft of the CPSU program calls for "the reconquest of political power by the working people."

The participants in the news conference said that "the country is gradually heading toward a situation in which criminal capital will hold sway," in which "an empire of speculators will establish itself." They defined privatization as the "quiet expropriation of property from slumbering Soviet citizens."

According to Richard Kosolapov, schism in the CPSU is already a fact. There are now four currents in the party, he feels. One of these "is endeavoring to bring about a healthy renewal of the party." A second is made up of "left-wing social democrats with whom agreement is possible." A third consists of "right-wing social democrats who are attracted to liberalism." Finally, there is a fourth current made up of "anti-communists who have not surrendered their party cards."

Call for 'Emergency' CPSU Congress Viewed

LD2006144491 Moscow Radio Rossii Network in Russian 1200 GMT 20 Jun 91

[Unattributed commentary]

[Text] I found an article by Sergey Alekseyev that was published in two newspapers today—MOSKOVSKIYE NOVOSTI and ROSSIYSKAYA GAZETA. Sergeyev, who ran in the last elections as General Makashov's running mate, is renowned not only as an orthodox political economist, he is also the generally recognized leader of the United Front of Working People and of the conservative Communist Initiative Movement. Drive out from the party the Gorbachev faction that is conducting a policy against the people! Dissociate ourselves from the Gorbachev-Yeltsin-Yakovlev-Shevardnadze line that is fatal for the Union and for Russia! Such, in the view of CPSU Central Committee member Sergeyev, should be the task of an emergency party congress, the need for convening that he recently announced, assuming the initiative for setting up an organizational committee.

Understandably, the time schedule for the future congress has not yet been established, but no matter how hypothetical the preparations for convening it are, the very fact of the call for convening a congress and sorting things out comes logically into the right-wing line of defense. Everyone here is coming out of his own trench, whether big or small. The USSR Supreme Soviet opposes the Novo-Ogarevo union, the procurator is setting the political tone, the military district commander is conducting his own war, the union chief destroys a newspaper: what's next, then? Next, in the logic of things, the CPSU should bring out of its own program for emerging from the economic crisis. To judge from all events, the program of the United Front of Working People—whose leader is Aleksey Sergeyev—could be an option for this.

CPSU's 'Sanctimony' Criticized

PM2006115591 Moscow ROSSIYSKAYA GAZETA in Russian 19 Jun 91 p 1

[Article by Chief Editor Valentin Logunov: "While They Love, They Do Not Renounce. Notes About a Sense of Shame and Unscrupulous People"]

[Text] In newspapers of the CPSU and the Russian Communist Party we find many articles, notes, and letters whose authors stigmatize people who have left these parties. Accusing them of apostasy with regard to the party, the guardians of its honor, mind, and conscience resort to a system of proofs in accordance with this principle: Yes, some people do leave, but they are only bad people—traitors, careerists, degenerates, bourgeois yes-men, and splitters. The authors are particularly indignant at those who received professorships, generalships, and ministerial posts from the party and who left it at a difficult moment. How is it possible, they say, to forget the hand of the giver! In their arguments they even go so far as to demand: You have left the party, so return the party's property together with your membership card—both your shoulder boards with the big stars and the pants with stripes, your prize winner's rank, your doctor of sciences diploma, your Leningrad residence permit, your published book, your Hero's Gold Star.

In general, their demands are fair, for it is a rare bird indeed that has managed to fly across the Dnepr without the say-so of some party committee, ranging from the Central Committee down to a rayon committee. But what cynicism and sanctimony the sniveling party caste demonstrates here!

Let us start with the fact that the CPSU nonetheless needed minds, but the party elite, to its regret, was unable not only to reproduce its intellectual resource but even to make effective use of what the people supplied it with. The party always exploited the writer, artist, philosopher, and economist mercilessly. Before every congress and plenum it would bring them out to its palaces near Moscow, feed them sandwiches and caviar, give them foreign beer and French cognac to drink, and, at the same time, make them work their butts off there. The most honest and incorruptible scientist would end up a helpless child before the ferroconcrete ideologues dictating the terms of "the CPSU's immediate tasks." In fact, it was not just terms that were dictated but also the only possible way to resolve the tasks. Not to deviate by so much as a single comma from the eternal, all-conquering teaching! Not to look in at any door other than the one indicated! And if an unusual thought should happen to get into the draft of a party document, it would be driven out at the orthodox teaching's second line of defense: in the offices of heads of departments on Staraya Square [address of CPSU Central Committee]. Sterile things would be read out from the rostrum.

By stirring up the hungry, unclothed, and unshod public against economists today, the party's ideologues and its high-ranking practical workers, who are implementing

the party's same immediate tasks in the rayons and oblasts, are trying to present the matter as though it was not they or their party fathers who led the country and the people into the impasse but Abalkin, Bunich, Popov, Shatalin, and their ilk. The conscientiousness of the inspirers of this persecution is not in doubt. And yet we too should not in fact be taken for such simpletons. The party leadership has always used the intellect of these people as a maggot uses an apple and, after all, it is not the apple's fault if it has been eaten away but the gardener's. We are capable one way or another of hitting upon this truth.

Over and over again, however, the people without whose minds we will all be in dire straits are subjected to all-out attacks involving lies and allusions on every line in Communist newspapers. The calculation is simple. Having themselves lost their intellectual base, they must ensure that the democratic movements also lose theirs. How is this to be achieved? By smearing. And not in a scientific argument, but by wounding human qualities and exploiting human weaknesses as painfully as possible. By bringing to the surface sins and words spoken at one time which do not fit in with a person's present world outlook (as though a person is the same person at the ages of 30 and 50).

What boundless immorality! For a long time a present chief editor served Grishin and loved him to distraction, and yet now he tramples on an unloved democrat because of some former ties that this democrat had with the first secretary of Moscow CPSU City Committee. The elementary conclusion is this: Trample on yourself at the same time. No, his pen is poised merely in order to praise himself for his constancy. As though this is the very best quality—to be constant in one's fidelity to the devil, let us say. Or to national socialism. Or, if a domestic example is apt, to a drunkard husband.

Newspapers portray quitting the CPSU as a betrayal, but do not explain precisely what is being "betrayed." Along with people whom I respect—Yuriy Ryzhov, Aleksey Yemelyanov, and Vladimir Tikhonov—I myself left the party right after its 28th congress. Whom and what did we "betray"? Polozkov, Antonovich, and Sokolov, to name specific people? The Russian Communist Party's impenetrable ideas, whose aim is to halt the movement of Russian society into the family of the world community where class hatred is receding or has already receded, where there is a respectful attitude toward the individual and his rights and dignity, and where a person is not humiliated in lines for the sake of buying house slippers and half a kilogram of sausages?

I put a question to myself and to those who eat their heart out over the great exodus from the Communist Party: Who needs the party? And why must our entire people rush to resolve its internal problems and save its prestige? I believe that the people have enough of their own troubles and affairs. And every honest person is obliged to think about the people above all, not about some group—moreover, an egoistic, unscrupulous, criminal one. For it was this, the party caste, that drove people from the land, killed, and put millions through the gulags.

Of course, it has long been clear to everyone why the party's leadership and prominent military and KGB officers are so concerned about the party. They are afraid of losing power, afraid that crimes before the people will be exposed for which they will never be forgiven. Hence the talk of cleansing and reviving. My God, can it really still not be seen that this is impossible? And why must society wait for this to happen?

No, let the party itself now fall at the people's feet. And it is not a question of vengeance, no. But let it get out of the way, let it remain alone with its terrible history. For the edification of us all and of our descendants.

Statistics on Numbers Leaving CPSU Cited

LD2006203391 Moscow All-Union Radio Mayak Network in Russian 0600 GMT 20 Jun 91

[Text] A NOVOSTI report: In 1990 the number of those leaving the CPSU increased and comprised 74 percent of all those who had left the ranks of the party. A portrait of the person voluntarily leaving looks like this: male, 35 years old, a worker in an industrial enterprise, with secondary education and party membership of more than 10 years, basically without party misdemeanors. For the majority, the reason for voluntarily leaving was loss of faith in the CPSU as a political force. Only 5 percent left the party out of fear that membership of it would in the future turn out to be a disaster for oneself or members of one's family.

Sobchak Views Yeltsin-Gorbachev Cooperation

AU2006151891 Paris AFP in English 1434 GMT 20 Jun 91

[Text] Paris, June 19 (AFP) - Conditions for co-operation rather than confrontation between Soviet President Mikhail Gorbachev and his newly elected Russian counterpart, Boris Yeltsin, are "ideal", Leningrad Mayor Anatoly Sobchak said here.

Clashing with Mr. Yeltsin after his election last week by a large majority of Russian voters might be dangerous because it could trigger a clash with the people, Mr. Sobchak said in an interview with AFP and the France-Culture radio station Thursday.

Mr. Yeltsin must now "pay the check he signed by making promises to the people and own up to it", he said, adding that it was in the Russian president's interest to co-operate with Mr. Gorbachev.

"This is why conditions seem ideal for co-operation between the central government and the Russian Government so that the union treaty can be signed, a new constitution be worked out and the union government redesigned within the next weeks."

Mr. Sobchak was in Paris at the invitation of the French minister for tourism, Jean-Michel Baylet, to seek French advice on how best to promote tourism in the Soviet Union's second city and former capital.

He was confident that the Russian parliament would rename Leningrad after voters opted for the city's former name of Saint Petersburg in the June 12 poll.

Saint Petersburg became Petrograd during World War I and Leningrad at the death of the founder of the Soviet Union in 1924.

Questioned on rumours that he would replace Soviet Prime Minister Valentin Pavlov, Mr. Sobchak said he had "no intention of changing jobs".

Mr. Sobchak was confident that the Soviet Union was set for a "happier future, because if I lost that hope, I would quit politics".

He also told the National Assembly's foreign affairs committee that he favoured negotiated sovereignty for the three Baltic republics.

The borders of Latvia, Lithuania and Estonia should be redrawn because they "will not stand up to history", he said.

Mr. Sobchak voiced concern at the level of pollution in the Baltic Sea and called for international aid to resolve ecological problems in the Soviet Union.

Leningrad has contacted two French water companies, Lyonnaise des Eaux and General des Eaux, for assistance in water recyling.

Akhromeyev Sees 'Threat' Looming Over Country

LD2006134491 Moscow Radio Moscow World Service in English 1210 GMT 20 Jun 91

[Excerpts] On the 22d it will be 50 years since Nazi Germany invaded the Soviet Union. This has again arisen public sentiment and discussions have started anew about the reasons, the course, and the lessons of the war. At a news conference an opinion has been expressed by the president's adviser and Marshal of the Soviet Union Sergey Akhromeyev: [passage omitted]

I think we have drawn the right conclusion politically and militarily. The method of dictatorial rule itself leads to miscalculations and tragedies for the state and the people, said Marshal Akhromeyev.

An opinion is sometimes voiced especially by war veterans today that 45 years after the victory we have refuted its gains launching disarmament and finally have found ourselves in hostile surroundings. Is that really so? Marshal Akhromeyev: I believe any state should have armed forces corresponding to the real external danger in any period of time be it a period of heightened military tensions or relaxation. From 1945 to 1985 both sides contributed greatly to a prolonged military confrontation which cost us dearly. I believe there is no immediate threat of war to the Soviet Union now, just as to any other state. But the war danger persists.

Marshal Akhromeyev did not name the source of the danger but remarked the situation in 1941 was much similar to that in 1991: In 1941 there was a danger to the very existence of the Union of Soviet Socialist Republics. Today there is also a danger that the USSR will cease to exist as a socialist federative state. The situation differs from that in 1941. Nonetheless a threat loomed over our country in 1941 and is looming over it in 1991, said Marshal of the Soviet Union Sergey Akhromeyev, in conclusion.

The situation is indeed serious but if favorably differs from that in 1941 since we have good chances to avoid bloodshed.

Zhirinovskiy To Run for USSR President

LD2006183191 Moscow TASS in English 1815 GMT 20 Jun 91

[By TASS correspondent Andrey Surzhanskiy]

[Text] Moscow June 20 TASS—An obscure politician, propelled onto the Soviet political stage by an unexpected success in the Russian presidential race where he lost only to front-runner Boris Yeltsin and former Soviet Prime Minister Nikolay Ryzhkov, is now eying President Gorbachev's job.

Vladimir Zhirinovskiy, a 45-year-old lawyer and leader of the Soviet Liberal Democratic Party, who won 7.81 per cent of votes in Russia's first free presidential election on June 12, told reporters today he plans to run for the Soviet presidency.

During the Russian race, Zhirinovskiy pledged to abolish the country's national-territorial division and said it needs just one president.

Commenting on Boris Yeltsin's landslide, Zhirinovskiy said it was his last victory and that "Boris Yeltsin's policy has exhausted itself".

"I have just begun my election campaign," he assured. Many people, mostly young, were willing to join the Liberal Democratic Party after the Russian election, according to Zhirinovskiy.

In the next year and a half party membership could swell to one million people, he said.

Patriarch Apologizes for Past Church Acts

91UN1803A Moscow IZVESTIYA in Russian 11 Jun 91 Union Edition p 2

[Interview with Patriarch of Moscow and All Russia Aleksiy II by IZVESTIYA correspondents G. Alimov and G. Charodeyev; place and date not given: "Patriarch Aleksiy II: I Accept Responsibility for All That Has Happened"]

[Text] **Events which can hardly be called ordinary have occurred in the life of the Russian Orthodox Church since the election of Aleksiy II to the throne of patriarch of Moscow and all Russia. For the first time in many decades, the previously soft voice of the church has begun to develop a tone of its own. The church, hobbled by numerous instructions and—there is no argument—maltreated but not broken, has always been together with its flock through all the hard times, despite everything, offering comfort as much as possible and leading toward just and eternal values.**

To be sure, some things were not smooth and proper. However, as time has shown, the Russian Orthodox Church has succeeded in keeping and preserving its ideals and traditions. These days mark precisely one year since the day of the enthronement of the new patriarch. On this occasion, our correspondents met with him once again to continue the conversation about present-day lay and church affairs.

[Alimov, Charodeyev] Your Holiness, in Soviet times each new patriarch coming to head the church had to confirm on the day of his election that he would be faithful to the 1927 declaration by Metropolitan Sergius on principles of relations between the church and Soviet power. You did not speak these words a year ago when you were elected. However, one still gets the impression that you justify this declaration. What, after all, is your attitude toward the declaration?

[Aleksiy II] First of all, I would not like to take the position of somehow renouncing this declaration. The declaration is a part of the history of our church. Being a man of the church, I should accept responsibility for everything that has happened in the life of my church: not only for the good, but also for the difficult, the sorrowful, the erroneous. It would be too simple to say: I did not sign this declaration and I know nothing.

Let history judge whether this declaration has helped the church in its most difficult hour. I would not like to assess these actions of Metropolitan Sergius. All we could do on that night was weep together with him. As far as we can tell, he was offered "an alternative": his signature or the execution by firing squad of several hundred bishops who had already been arrested...

Some of the pain which he experienced then lives at present in my heart... However, looking back from the present, or just looking from the point of view of the historical truth, we see that the declaration by Metropolitan Sergius, of course, cannot be called voluntary because he, who was under terrible pressure, had to state things which were far from the truth in order to save people. At present, we are able to say that untruth was mixed in in his Declaration, the objective of which was "to establish a proper relationship between the church and the Soviet government." However, this relationship—and the declaration clearly outlines it as the subordination of the church to the interests of state policy—is precisely incorrect from the point of view of the church.

Metropolitan Sergius sought to save the church by means of this declaration. I know that many people hearing these words object that Christ saved the church rather than the people. This is correct. However, it is also true that God's help would not save in the absence of human efforts. The Universe is indestructible. However, where is the famous Church of Carthage? Are there presently Orthodox believers in Cappadocia in Asia Minor where Gregory the Theologian and Basil the Great became famous? The church in Albania was destroyed before our eyes. And there were also forces in Russia seeking to do the same.

I believe that during this year we have been able to truly overcome the obtrusive tutelage of the state. This is why at present, now that our distance from the state has been established as a fact, we have the moral right to say that the Declaration of Metropolitan Sergius, on the whole, is a matter of the past, and that we are not guided by it.

This is not to say that we come out against the state. This means we believe the state can make mistakes, very bad mistakes, and sometimes even criminal mistakes, and in these cases we have the right and the duty to testify before God, before our conscience, and before the world to the violation of God's truth.

[Alimov, Charodeyev] Indeed, perhaps you have acted during this year as a convinced "Sergian" would not have. You have acted as if V. Furov, the chairman of the Council for Religious Affairs at the time, had not referred to you in 1974 as one of the most loyal bishops of the Russian church who understands "the lack of interest" on the part of the state in reinforcing religious devotion.

[Aleksiy II] When I was appointed bishop in Tallinn (this happened in September 1961), the local authorities told me that members of the Komsomol [All-Union Leninist Communist Youth League] intended to set up a planetarium in the Alexander Nevskiy Cathedral, and that a resort hotel for miners would be located in the Pyukhtitsy Convent, which was scheduled to be evicted on 1 October. I succeeded in persuading the authorities that these actions were impermissible. Subsequently, during the 30 years of my leadership of the Estonian Diocese, there was not a single case of the administrative closure of a church in it; the number of nuns at Pyukhtitsy increased by a factor of two—from 80 to 160 by 1988. Of course, this is not to say that I was free in my leadership of the diocese and in my work at the Patriarchy. Defending one thing, we had to yield somewhere else. Have there been other organizations, or other people—from among those who had to bear responsibility not only for themselves, but for thousands of other peoples' lives—who did not have to act the same way in the Soviet Union in these years?

As far as the people are concerned who were hurt by the concessions, the silence, the forced passivity, or expressions of loyalty which the leadership of the church

allowed to occur in those years, I ask not only God, but also them for forgiveness, understanding, and prayers.

[Alimov, Charodeyev] At present, the church is indeed shedding the burden of the past. Relations with the state are being normalized and new opportunities are opening. Will the church be able to take advantage of them, or, on the contrary, will it fall victim to its own internecine conflicts which may bring about a schism?

[Aleksiy II] In the life of the church, the threat of schisms is what saddens me the most at present. The church and its people should have wisdom, tolerance, and appreciation of their responsibilities. A university instructor is responsible to his conscience only for the completeness of stating the truth. However, a priest must first of all think about how any word of his will resonate in the souls of the people.

For the sake of proving that their positions are "correct in principle," priests who support the schism are prepared to negate the existence of spirituality in general in Russian society and in our church. The further it goes the harder it will be to heal the emerging schism with the Church Abroad and the parishes it is setting up in Russia. They are increasingly possessed by the spirit of factionalism; that is, being ready to defend the positions once taken, rather than search for the truth.

In general, I would like to recall that from the very beginning of its existence, the Church Abroad promised that as soon as the patriarch in Moscow gained freedom, the Synod Abroad would submit to his judgment all of its endeavors over the years of forced separation. At present they are raising the issue differently: All priests of the Russian Church should come to them to be judged and to atone. However, I believe that we should not judge anyone; as far as atonement, all of us should atone, including "the Karlovac people" for, say, their official support of Hitler or the message of the Synod of Bishops of the Church Abroad to U.S. President Johnson which "sought God's blessing for the heroic American army selflessly fighting in Vietnam, wishing it victory." After all, napalm bombs in Vietnam burned children rather than Communist ideas. We have never made such statements with regard to Afghanistan...

I would like to say that the church cannot be split on political grounds. For as long as we lived in Russia and they lived in America, this was not a schism, it was merely a certain dissociation. However, when two churches appear on the same street, within each of which a priest will be busy explaining why people should not go to the neighboring church instead of preaching the Gospel, this will be a Schism. There cannot be "the free Russian Church," 'the liberal Russian Church," "the monarchist Russian Church," and some other "Constitutional-Democratic" Church. When a society is torn apart by national and political contradictions, the church should be the place where most different people could recall and perceive the unity of their dignity as God's children, the unity of their faith, and the unity of God's love for all of us.

[Alimov, Charodeyev] The issue of the union is one of the intra-church tensions which threaten the unity of the church. Might it be resolved by means of legalizing the Uniate Church?

[Aleksiy II] As far as its legalization is concerned, this is an issue which is within the jurisdiction of state organs. The Union was eliminated by the Synod of Uniate Clergy in Lvov in 1946. This synod occurred under powerful pressure from Stalin's administration. However, it is equally beyond a doubt that it nonetheless expressed the attitudes which were strong among at least a segment of the Uniate clergy. These aspirations were subsequently compromised by state pressure on the one hand, and the extremely short-sighted policy of some of our local bishops on the other. Before the revolution, we endeavored to assign to these regions the best, the most educated, and the most spiritual bishops. In the postwar years, the bishops, to whose stay in this area the authorities have consented, have not necessarily been marked by these traits...

At present, religious life in the Ukraine is not free of external, political pressure either. The issue of the future of the Union in Western Ukraine may be resolved by a synod which would be precisely a church rather than a political gathering, and which would not be a mere replica of the Lvov Synod in reverse. We will heed this voice if it sounds in a sober-minded and spiritual setting.

[Alimov, Charodeyev] Your Holiness, which events in the life of the Russian Orthodox Church in the last year would you distinguish as the most important ones?

[Aleksiy II] A return has begun to our spiritual origins which have been lost. I believe that a new stage in relations between the church and the state has begun, especially in conjunction with the church receiving the rights of a legal person. This has been an intense year which has been saturated to the limit. Conditions for the life of the church at present provide an opportunity for extensive accomplishments in the entire array of church endeavors. This means catechism, the restoration of Sunday parish schools, charitable activities, alms, social endeavors of the church in the hospitals, homes for the aged, and correctional facilities. This also means the restoration of dozens, hundreds, and thousands of places of worship which are being returned to the church. The restoration of these ravaged and desecrated churches is a complex process, but it makes us optimistic.

Of course, there are many difficulties. Many things have to be started from the beginning. Here are several examples. During my stay at the Novosibirsk Diocese, I consecrated the cornerstones of six new churches. At present, such construction projects are being undertaken virtually everywhere. In Moscow, a church will be built to commemorate the millennium of the baptism of Russia, and the Kazan Cathedral in Red Square will be

restored. In 1988, 45 churches were operating in Moscow, and by now there are as many as 130. However, the condition of many of them is such that they have to be virtually built anew. Where are we to get real experts, architects, and builders who would be up to the task of building a church in keeping with the canons? Alas...secrets and skills have been lost. We should seek and bring back this art. Apparently we will not be able to do without the help of foreign companies for now. For example, to erect the Church of the Millennium of the Baptism of Russia it seems we will use the construction company which is building the huge Orthodox Cathedral of Saint Savva in Belgrade.

[Alimov, Charodeyev] A transition to a market economy in the country unavoidably exacerbates hardship for the people. We would like to know whether the church supports the new economic policy?

[Aleksiy II] A return to a market economy, precisely a return rather than a transition, will occur in Russia as well. Naturally the church will see to it that this return does not roll too heavily, like a steamroller, over the fate of the people. We will support and in the future we may take part in creating the systems of the social protection of the people. We should not forget the experience of the European, rather than the Soviet, model of socialism.

[Alimov, Charodeyev] To wrap up this interview, allow us to ask the following question: A report has been published in the Western press to the effect that recently the health of Patriarch Aleksiy has deteriorated. Indeed, you must travel a lot throughout the country, say masses, perform services, and talk to the people. How do you handle such stress?

[Aleksiy II] Thank God, I have had no complaints to make about my health so far. There is much to be done, and there is no time to be sick. Indeed, in the last year I have visited 15 dioceses. I have visited the Ukraine, Moldavia, Karelia, Estonia, various regions of Russia. I have met with members of the hierarchy, the public, believers, and young people. I have performed more than 220 services...

I will now rest for 10 days, and subsequently will immediately travel to Belorussia, later to Kostroma, Nizhniy Novgorod, Vladimir, Yaroslavl, Kolomna, Leningrad, and Valaam. The believers are happy to see their patriarch, and I am happy to communicate with them.

This dynamic way of life helps me maintain the performance of the holy liturgy and other services. This is where I draw energy for myself and my service.

I admit that sometimes I would like to rest a little, to be at one with nature and with myself. Previously I took as many as 30,000 steps a day in the woods of Estonia when I was on vacation. Unfortunately my affairs do not permit this at present. Nonetheless I hope I will be able to take an hour or two to both walk and read religious and lay literature...

Kiosks Accused of Hiding PRAVDA

PM2006154791 Moscow PRAVDA in Russian 20 Jun 91 Second Edition p 1

[Letter from reader A. Suvorov followed by editorial commentary: "Alarm Signal. 'Are They Hiding PRAVDA?'"]

[Text] Dear editorial office! You have already said that artificial difficulties are being created in a number of places for PRAVDA circulation via "Soyuzpechat" [Main Administration for the Distribution of Printed Matter] kiosks. My comrades and I saw this for ourselves yesterday. A "Soyuzpechat" store on Leninskiy Boulevard refused to sell one of my colleagues the newspaper. Another unsuccessfully tried to buy PRAVDA on Highway of the Enthusiasts. Kiosks around Lubyanka Square did not have the newspaper—and that's in the center of the capital! Incidentally, a vendor in a "Soyuzpechat" store said that they were not selling PRAVDA because "it had failed to publish."

In one kiosk alone near the Central General Store a copy of the newspaper was procured from under the counter. Don't you think, dear editorial office, that the newspaper is being deliberately hidden? How else can one explain the fact that "Soyuzpechat" kiosks and stores have no copies of PRAVDA either in the suburbs or in the center?

[Signed] A. Suvorov, Moscow.

From the Editorial Office: We are receiving signals of this kind from other readers in various places. What is this? Organized attempts to thus combat glasnost? It seems that it is. Some people are obviously very annoyed with what the party has to say. You will agree that a few hundred newspapers can be hidden and secreted away from people's eyes, but you cannot hide the truth, you cannot escape the truth. Our PRAVDA will soon be celebrating its 80th anniversary. It has seen everything in its time. But it has come through the ups-and-downs of political struggle with honor and has worthily carried on and bears its name.

The Russian language—a great and powerful language—contains many fine-sounding, splendid words. Such as "faith," "hope," "love," and "brotherhood." The word "truth" [pravda] belongs to this noble list; it will always be heard in our speech. And PRAVDA will also live on.

Economic

Yavlinskiy Awaits Reply on Economic Program

OW2106054691 Moscow INTERFAX in English 1830 GMT 20 Jun 91

[Following item transmitted via KYODO]

[Text] Before the Great Seven meeting coming in London next month the USSR President Mikhail Gorbachev is to give his reply to the programme "Window of Opportunity" prepared by Soviet and American economists and handed over for his consideration.

That was announced at a press-conference in Moscow on Thursday by one of the programme's authors Grigoriy Yavlinskiy. Besides Mikhail Gorbachev the draft programme has been handed to George Bush, the U.S. Secretary of State James Baker, and the Presidents of Russia and Kazakhstan B. Yeltsin and N. Nazarbayev.

Yavlinskiy explains that the programme has quite a bit in common with the well known plan "500 Days". It also contains a special chapter on "The Interests of the Developed countries and the Future of the USSR" analysing the general conditions, principles, and aims of the West granting aid to the Soviet Union.

But the chapter has no specific figures. "That was not our goal", stressed Yavlinskiy. "We aimed at drawing the general prospects of interaction with the Western world".

Comparing the project with the anti-crisis programme of Valentin Pavlov's cabinet G. Yavlinskiy noted that "The Window of Opportunity" is proposed for 1991-1997 and contains not only tactical, but also strategic measures. "We are not merely trying to re-distribute powers, as in the government's programme, but to reduce the overall state interference in the economy", he insisted. Apart from that, G. Yavlinskiy is planning to carry out his programme not within the framework of the Union Treaty, but of the economic union which could involve all the republics, even those rejecting the Union Treaty.

The new project pays special attention, said Yavlinskiy, to questions of conversion. Special funds are to be set up with the help of the World Bank for switching over Soviet defence industries to peaceful productions.

To the question what would happen if V. Pavlov follows his economic programme and Gorbachev his, G. Yavlinskiy replied that "in reality that could not happen". He said that if his programme is distorted on the USSR level, it can't be realized on the republics' level, since it was never meant for that.

Yavlinskiy Program's 'Shortcoming' Viewed

OW2106050291 Moscow INTERFAX in English 0930 GMT 20 Jun 91

[Following item transmitted via KYODO]

[Text] Aleksandr Vladislavlev who leads the executive committee of the Soviet research and production union has said in comments on Grigoriy Yavlinskiy's program for economic reforms that it was worked out on a high professional level characteristic of that prominent Soviet economist.

Nevertheless the program has an important shortcoming inherent in all the previous programs drafted by Soviet economists: It was devised exclusively by academic experts without the involvement of leaders of plants and factories, the people who are to implement it, said A. Vladislavlev. According to him, the group of experts led by Yavlinskiy should have included representatives of the industrialist circles, whose experience and knowledge of the real state of affairs locally would undoubtedly ensure its successful effectuation.

Economics of Defense Sector Conversion Viewed

PM1906142591 Moscow IAN PRESS RELEASE in English (Undated)

["Abridged" reprint from Moscow NARODNYY DEPUTAT No. 4 of article by A. Ozhegov and Ye. Rogovskiy: "Conversion Needs Reliable Guidelines"]

[Text] The success of conversion largely hinges on two things: its general depth and organisation. The general depth of conversion is the level of release of all kinds of resources—personnel, equipment, facilities and raw materials—by the armaments industry. Conversion is expected to release about 500,000 people. The release of other resources has not been assessed yet, but it is clear that conversion will take different forms, depending on whether the released capacities are mothballed or used to turn out civilian goods. On this will also depend the volume of released facilities and, consequently, the general demand for investment in conversion and the development of civilian production in the armaments industry.

The state conversion programme is designed to turn out more of the traditional kinds of civilian goods by creating new production facilities. Of the 40,000 million roubles allocated on conversion, about 31,000 million will be spent on the creation of new facilities, and about 9,000 million will go to retooling the existing ones.

Although conversion has embraced over 400 enterprises of the armaments industry and 100 enterprises in related industries, comprehensive conversion will concern only six enterprises of the armaments industry and 34 enterprises of related industries. Other enterprises will carry out a less effective form of partial conversion, which implies the reduction of output, by 20-30 percent at 180 enterprises, and by 10-20 percent at the rest. As a result, conversion will make the production of civilian goods by the armaments industry, especially enterprises which specialise in the production of military hardware, rather capital-intensive.

One problem concerns the determination of possibilities for changing the speciality of machine-building enterprises of the armaments industry, which provides for determining what amount of metal is to be released by the converted defence enterprises, what share of this released amount is to used to produce civilian goods, and what amount is to be involved in new military programmes.

Reductions will concern above all the production of aviation and missile equipment, tanks and artillery systems. At the same time, the production of heavy-duty air-capable ships and large nuclear-powered submarines will be expanded. This means that more metal will be needed for the production of military items. If a considerable share of material resources of the armaments industry were not channelled to civilian production but used to guarantee the modernisation of armaments, the burden of the conversion of tank, artillery, missile and other plants will be placed on civilian industries. The national economy may prove unable to bear this new burden. Thus, the creation of material conditions for facilitating the transition to the market will depend on the scale of conversion; otherwise conversion will only add to the economic and social crisis in society.

Closely tied in with the depth of conversion is the problem of its organisation and forms. The conversion programme is designed to maintain a rigidly centralised system, with the ministries remaining the main decision-makers. Actually, the centre wants to maintain all the levers of power, with a certain weakening of formal organisational elements fully compensated for by the preservation of obscure, but much more important material foundations. The system of material and technical supplies, which in conditions of total deficit plays the decisive role, largely remains under ministerial control.

The transition to the production of civilian goods by the armaments industry is greatly complicated by financial difficulties facing defence plants undergoing conversion. At least three serious problems will surface in this transition period: the dramatic worsening of the economic situation as a result of the sudden reduction of military contracts; the lack of finances for major restructuring and the production of new kinds of goods; and lastly, the unclear situation with regard to contracts for civilian goods, the unstable financial position of civilian contractors and the inability to compensate for the loss of military contracts, above all R&D.

The economic situation of enterprises was seriously affected by the demand to produce as many civilian goods as they used to produce military items, advanced at the initial stage of conversion. The production of civilian goods has a different structure of cost and a higher share of labour per rouble of the goods' cost. In conditions of partial conversion labour intensity became especially high because civilian goods were produced in small batches and the specialisation of facilities was inadequate. At some enterprises the cost of one hour of work needed to produce civilian goods is six times lower compared to the production of military items. As a result, the production of civilian goods is either unprofitable or its costs are prohibitive. For example, an automated line for the production of sausage made by the former Ministry of Engineering of the Light and Food Industries and House Appliances cost 25,000 roubles, while defence plants produce it at 276,000 roubles.

And lastly, another problem that is becoming critical and can lead to grave consequences for the national economy concern the formulation of orders for civilian goods at defence plants, above all at defence-related research institutions and design bureaus. As a result of the reduction of orders, quite a few high-skilled specialists have left defence enterprises.

This is the more or less complete range of problems facing the armaments industry. How can its powerful capacities be used to help implement major economic programmes and to provide technologies for this purpose?

There are two groups of programmes. The first concerns the development of consumer goods production, housing construction and food provision, whose success depends on the creation of a mechanism to guarantee the economic interest of producers in satisfying the demand, which is practically unlimited now.

In particular, an increase in the production of science-intensive consumer goods and a radical expansion of their range can be accomplished only if the existing organisational and economic conditions are changed. We should guarantee enterprises and whole industries, which do not specialise in the production of military items only (the electronic, radio and isotope industries of the Ministry of Engineering for the Nuclear Power Industry), a possibility to withdraw from the armaments industry and to create diversified concerns for the production of consumer goods on this basis, as well as on the basis of electrical engineering and instrument-making enterprises.

Conversion can play a major role also in construction. To begin with, the reduction of the construction of military facilities will release construction materials and equipment (steel, cement, etc.), which should be redistributed in favor of the social sphere. We should also radically increase the production of sets of equipment for the development of progressive house-building technologies (industrial cast-in-place and precast construction and block and low-density cement construction) on the basis of cooperation between enterprises of the armaments industry and civil engineering.

Defence plants should be given orders for the creation and production of modern autonomous energy and heat supply systems, specialised sanitary and technical facilities, and other equipment for low buildings as part of the programme for promoting individual housing construction, as well as orders for the production of special materials and coatings which guarantee the long life of individual buildings.

The second group of programmes concerns the development of the infrastructure, power engineering, health care, and the solution of ecological problems. These programmes cannot implemented on the basis of profit alone.

Ecological conversion embraces problems whose solution calls for the use of high technologies, such as the creation of a bank of information about hazardous industrial effluents and their combinations, the creation of production of multipurpose measuring systems to register a wide range of hazardous components, and the neutralisation of hazardous factors, designed above all to persistently eliminate hazardous wastes from human habitat. The task of creating a national data bank available to all regions is similar to that of weather forecasting fulfilled by the State Committee for Hydrometeorology and Environmental Control in conjunction with the armaments departments. The organising role of the Centre is very important here.

Many defence plants have scored considerable achievements in the creation and production of filters neutralising industrial effluents. They are in short supply currently, hardly available to civilian industries.

Yet another sphere of ecological conversion that can effectively use the high technological potential of the armaments industry is transport. In the future it will become one of the main factors determining the ecological conditions of society. Now that more and more automobiles are being produced, only the armaments industry can quickly produce the necessary electronic equipment, new light construction materials and new engines which help to reduce the exhaust of gases by several times, as the world practice shows.

Other social and economic programmes need state assistance, too. But the armaments enterprises should not be forced to join them through orders which they are not suited to fulfil. Such orders should be profitable for the armaments industry, and distributed on the basis of competition.

Credit 'Leakage' Shows Need To Update Banking

PM2006104391 Moscow IZVESTIYA in Russian 14 Jun 91 Union Edition p 2

[Article by I. Zhagel: "Excess Billions Were Thrown Into the Economy, But No One Knew About It"]

[Text] Sometimes just one figure suffices to clarify the profound processes taking place in the economy or, at any rate, in part of it. However, that requires a high level of competence, and that has been in short supply to date. Otherwise the Supreme Soviet and the press would not have failed to notice that in 1990 21 billion rubles' [R] worth of credit was issued in excess of that planned by the country's parliament and government. And this with a budget deficit! And with our inflation rates. Money flowing like water. And with a high-powered inflation pump to drive it along.

Nevertheless, the aforementioned figure was mentioned nowhere in the press. How, then, did the R21 billion "injected" into the economy appear without the knowledge of parliament and the central bank? What kind of scoundrel is undermining the financial system and aggravating even more the ailing health of the ruble?

The answer lies in our built-up impatience and desire to switch the economy from one state to another at a stroke. And this unplanned issue of credit is the result of the rapid and in general arbitrary administrative switching of the banking system to a commercial footing while retaining the old system of paper-based mutual settlements between banks. And this system of settlements simply cannot be switched more quickly, because you cannot lay down new communication lines and equip everyone with first-class electronics equipment in the space of a year or two.

What happens, then, when a new form is combined with old content? While the old banks issued money on the basis of credit plans received from above and overlending was simply impossible, the commercial banks had a direct interest in increasing their turnover—they would then be able to earn more by virtue of the interest on each credit issued. And given that, it was in their interest to obtain more credit resources from centralized sources. In so doing each commercial bank becomes in effect a small issuing bank, which is assisted by the "independent" policy now being pursued by the union republic central banks. The overissuing of credit, however, comes to light only several months later, when all the paper-based accounts are collated. So the leakage of R21 billion in 1990 was detected at the USSR State Bank only at the end of the first quarter of 1991.

It is interesting that the leakage of credit was most striking in Russia, where in the sphere of restructuring the banking system attempts have been made to act more resolutely and where the republic bank has shown the greatest autonomy. Russia indeed accounted for R15 billion of the R21 billion of unplanned credit released.

Does this mean that the old credit and financial system must be revived in short order? No. Moreover, it seems that not everyone yet appreciates the extent to which the strengthening of the ruble and indeed all structural perestroyka in industry depends on the development of credit on commercial terms. However, with the continuation of the reform of the banking system it is essential to put it into a more rigorous framework and achieve greater coordination of action.

It is surprising, but it is precisely in such a highly important sphere of the economy as credit and finance that flagrant violations are allowed. For example, the decree by the country's president that an agreed monetary policy be elaborated by all the republics, which with a common ruble is the only possible route, has been ignored for almost a year now.

The Law "On the USSR State Bank," passed in the fall, which directly states that a council made up of representatives of the republics should run the country's central bank, is not being implemented in practice. However, there is no such council thus far, and this is not down to the machinations of the center. It is simply that each

republic considers it possible and even beneficial for itself to pursue its own credit and monetary policy.

I think that the "leak" of R21 billion should cool the hottest heads urging unthinking radicalism in the banking sphere. Parliament too has food for thought. It might even be worth adopting a special program providing for the development of the material base of the country's banking system, including satellite communications, computers, and many, many other things. This is a sphere where cost-cutting is false economy.

Customs Duties Increased To End Export Loophole

PM2006115991 Moscow SOVETSKAYA ROSSIYA in Russian 19 Jun 91 First Edition p 6

[RIA report: "Duties To Go Up"]

[Text] Rates of customs duty on goods sent via international mail departments or transported by citizens crossing the USSR state border are to be increased from 1 July. Sergey Ilyushin, head of the USSR Customs Committee's press service, informed RIA's correspondent that this rule will affect only passengers carrying goods in heavy demand in wholesale quantities. No duties will be levied on goods transported for purely personal use; beyond that, they will be taxed at the minimum rate, and at the maximum rate if transported in commercial quantities. The definition of commercial quantities will be left to the competence of the customs officers.

"We have been forced to take this step because hitherto there has been a large difference in our country between customs duties in commercial transactions and customs duties on goods carried by passengers," Sergey Ilyushin said. Taking advantage of this fact, all sorts of smooth operators are transporting whole batches of goods over the border via passenger transport—computers, videocassette recorders, televisions. Moreover, they do not pay the import tax introduced 1 January this year on commercial shipments, and they are making fantastic profits. "The new rules will plug this loophole for them," Sergey Ilyushin promised.

Foodstuffs, children's goods, and toys sent by mail will not be subject to the customs duty.

Import Levies Under Review; July Increase Denied

PM2106085191 Moscow KOMSOMOLSKAYA PRAVDA in Russian 19 Jun 91 p 1

[RIA report: "No Major Changes"]

[Text] Rumors to the effect that rates of customs duty in commercial transactions are to be increased 1 July do not correspond to reality, Viktor Glinyanyy, deputy chief of the USSR Customs Committee Economic Administration, informed an RIA correspondent. He noted that this would happen, but later. "Tax rates on commercial shipments are reviewed every quarter in all civilized countries," V. Glinyanyy said. "We are carrying out similar work at the present time: Taxes will be lower on food products, but higher on some consumer goods." He gave no reply when asked when new rates would be brought in.

Agricultural

Gorbachev Remarks at Peasants Forum Cited

PM2006142191 Moscow SOVETSKAYA ROSSIYA in Russian 20 Jun 91 First Edition pp 1, 3

[A. Gamov report: "The Hapless Countryside: Comments From the Second Stage of the USSR Peasants Union Constituent Congress"]

[Text] As is well known, agricultural output has been in irresistible decline over the last two years. And it is not just to do with the poor harvest, V.A. Starodubtsev, chairman of the USSR Peasants Union, said in his report. We cannot even harvest what we do grow.

There exists the firm opinion that the decline in output and the sharp deterioration in the financial position of kolkhozes, sovkhozes, and other enterprises and organizations belonging to the agro-industrial complex have been inevitable, given the rupture of economic ties. But many speakers, notably V.K. Rudi, chairman of the Kirov Kolkhoz in Kazakhstan's Pavlodar Oblast, expressed flat disagreement with such a standpoint. In their view, such gigantic losses could have been avoided. As is well known, the introduction of new purchase prices and the application of contract prices for agricultural produce, the change in taxation procedure, and other measures produced a balance by the end of 1990 between purchase and wholesale prices for industrial goods. This created favorable opportunities for the further development of the agro-industrial complex and its enhanced efficiency. Price parity, however, lasted only three months. Processes initiated at the outset of the current year have threatened the countryside with total financial collapse.

The governments of the Union and the Union republics, departments, and their enterprises have made decisions that have entailed major additional outlay on producing agricultural output. According to calculations, the increased cost of material and technical resources, capital construction, and tax payments plus other costs will come to roughly 82 billion rubles [R] this year.

The conclusion from all this—and it was expressed most categorically from the Congress rostrum—is that agricultural enterprises, peasant farms, and their associations have been left unprotected against the high-handedness of and monopoly position enjoyed by suppliers during the transition to the market. Instead of real state financial support, the process of "siphoning" resources out of the countryside and into the city has intensified. The situation showed no change for the better after the USSR

Cabinet of Ministers' adoption of a resolution to compensate for extra costs in the agro-industrial complex—it provides no firm guarantees that industrial enterpises will not continue to hike the prices of their own output. Moreover, all these measures are being introduced from the middle of the current year, but who is going to compensate for the extra costs incurred in the first half of the year?

It is clear right now that the spread of contract prices for agricultural produce will inevitably lead to an increase in retail prices, the development of inflation, and ultimately to a further decline in working people's living standards. And that means that the peasants will again be set in opposition to the working class. A.Ye. Vorontsov, chairman of Bryansk Oblast's "Leninets" Kolkhoz; P.G. Mikov, director of Krasnoyarsk Kray's "Krasnopolyanskiy" Kolkhoz, and others expressed great concern on this score. It was stressed that it is hardly worth shifting the solution of questions onto Union republics alone, as far from all of them possess sufficient potential for this.

The sector is experiencing great difficulties in connection with the destruction of the credit and financial system. In some republics, notably the Russian Federation, control of credit quotas for seasonal work has been lost. However, the services of the other commercial regional banks set up at local level are too expensive for kolkhozes, sovkhozes, and processing enterprises. As a result many farms are unable to get credit.

In his report V.A. Starodubtsev cited the following case: Kirov Kolkhoz in Moscow Oblast's Balashikhinskiy Rayon paid R1.5 million into the budget in full and on time. However, the Balashikha city finance department, citing an RSFSR [Russian Soviet Federated Socialist Republic] Finance Ministry departmental instruction, illegally deducted an extra R2.8 million from the farm and transferred it to the needs of the city. The congress delegates spoke of the need to restore urgently the specialized system of banking service offered to enterprises and organizations of the agro-industrial complex.

Among the reasons for the backwardness of agriculture, as USSR Prime Minister V.S. Pavlov acknowledged in his speech, are the shortcomings in supplying the sector with material and technical resources. Suffice it to say that in the past five-year plan the agro-industrial complex was undersupplied to the tune of 148,000 tractors, 13,000 feed combine harvesters, 54,000 tractorized mowers, over 44,000 trucks, and a large quantity of spare parts, mineral fertilizers, and plant protection agents. In other words, in the most important areas agriculture has not received assets equivalent to the year's norm. The new equipment received does not even equal the amount that is actually worn out. The congress advocated the restoration of the Agrosnab [supply to the agricultural sector association]—and on economically accountable principles furthermore—without which it is impossible to organize the normal supply of material and technical resources to the countryside.

Delegates spoke with unconcealed distress about the extremely difficult social situation of the peasants and the continuing process of the degradation of the countryside. That concern is entirely warranted: The number of rural population centers is declining and the migration of the population in many parts of the country has reached ominous proportions. Judge for yourself: In the past three years the number of kolkhoz and sovkhoz workers has fallen by 15 percent or 3.1 million people. Can this most important sector, on which our well-being and indeed the state's very existence depend, be allowed to become the domain of the elderly, the sick, and the needy?

In repeated appeals to the USSR president and the country's prime minister, congress delegates urgently demanded that the necessary facilities and resources be found and used to transform the countryside. V.S. Pavlov, who spoke on the first day of the congress, spent 90 minutes fielding delegates' questions but virtually avoided giving any concrete answers. That fact was largely responsible for the situation on day two of the peasant forum's work. There were calls to set up a strike committee. Matters were aggravated by the fact that on the next morning delegates did not see either the president or the prime minister in the presidium, although they had been there on day one. Passions became so inflamed that the work of the congress even had to be suspended for a while. Here is how V.M. Kuprin, chairman of the Kemerovo Oblast Peasants' Union, commented on the situation:

"We have traveled thousands of kilometers to reach Moscow to obtain from our leaders concrete answers to the questions troubling us, not to listen to glib formulas. People have the impression that they still are not taking us seriously. The time has finally come for everyone to understand that the USSR Peasants Union, which was created one year ago, is standing up for itself now and is no longer a purely professional association of tillers of the soil but first and foremost a powerful sociopolitical movement which must be taken into account."

In a concession to the delegates' wishes, M.S. Gorbachev addressed the congress in the afternoon of 18 June. Replying to numerous questions, he dwelt in detail on problems of developing the agro-industrial complex, in particular those connected with the implementation of the land reform.

The Peasants Union is oriented toward the equal development of different forms of economic management—kolkhozes, sovkhozes, agricultural combines, associations and agrifirms as well as peasant holdings and their cooperatives, and citizens' personal subsidiary plots—and promotes the development of a mixture of forms [mnogoukladnost] in the agro-industrial complex. At the same time, delegates expressed disagreement with the fact that in the Russian Federation and a number of other republics, laws have been adopted which provide for the introduction of private ownership of the land with the right to buy and sell. M.S. Gorbachev spoke

once more of the need for a national referendum on this question. Furthermore, as the president noted, this must first and foremost take into account the opinions of those who are directly employed on the land.

Again the question of compensation for additional costs in the agro-industrial complex was raised. M.S. Gorbachev agreed with delegates that the USSR Cabinet of Ministers resolution adopted on this score is not sufficiently effective and he promised to return to that question in the very near future.

Addressing congress delegates and through them all rural workers, the USSR president urged them to show restraint and to pool their efforts.

Military

Adm Kapitanets on Navy Prospects, Jubilee

PM2106091591 Moscow KRASNAYA ZVEZDA in Russian 13 Jun 91 First Edition p 2

[Article by Admiral of the Fleet I. Kapitanets, first deputy commander in chief of the Navy: "Bringing It to Our Contemporaries and Preserving It for Our Descendants: Approaching the 300th Anniversary of the Founding of the Navy". Following is full text of item published on page 65, column one of the 17 June Soviet Union DAILY REPORT]

[Text] The date 30 October 1996 is acknowledged by most researchers to be the 300th anniversary of the fatherland's Navy. But it is rather arbitrary, since the the roots of naval traditions permeate many centuries of our state's history. Without resorting to numerous historical illustrations, I will say that our ancestors were well acquainted not only with the benefits of marine trade, but also with the importance of military force at sea in the protection of state enterprises. And the acme of Russia's naval policy, its turning point, was, without doubt, the efforts of Peter the Great to bring the state back to the shores of the Baltic and Black Sea.

Today Peter's reforms, the ocean course along which the navigator and crowned head took Russia, are interpreted in various, sometimes conflicting ways. But the facts speak for themselves: Peter's policy was historically inevitable and was implemented in an instructive way. He anticipated the enormous significance of the regular navy as an instrument for the implementation of the state's foreign policy goals.

The ruling circles and the Russian public were not always unanimous in their assessment of the construction and use of the navy. In our Fatherland's history there have also been cases where it has gone into almost total decline after carrying out tasks that were, as a rule, of a fateful nature. On the one hand, it was a consequence of economic exhaustion in the course of long wars, and, on the other hand, the result of feeble state thinking and failure to grasp the importance of a strong, regular navy for a state which possesses enormously long sea borders and, by virtue of its geopoliticial position, is inevitably at the epicenter of European and world events.

In recent years, on looking at our past more closely, we have seen that not all the decisions relating to the building of the navy, including those taken in the Soviet period, have been entirely prudent. For long years the navy was seen merely as the Red Army's "assistant." Then, when this concept was reviewed at the end of the thirties, decades were spent looking for optimal forms of collaboration between the various armed services, which would enable them to tackle simultaneously not only joint, but also independent tasks. Archive documents show this was also being done, alas, during the Great Patriotic War. In the postwar years the debate about the Navy broke out with renewed force. It was a struggle between representatives of, so to speak, the "continental way of thinking," and those who were predicting a bigger role for naval forces in international politics and were advocating the building of a Soviet ocean fleet.

And today the Navy falls within the field of vision of various political forces in our society, and programs for its further development have become the subject of polemics in the mass media. It is only to be regretted that in the course of these polemics hasty conclusions are drawn on the disappearance of the military threat. What lies behind this is either incompetence or the deliberate substitution of weasel words for the substance of the question. Military building is based not on a politicized concept—"nobody intends to make war on us"—but on the nature of the other side's actual military preparations.

Whatever form Soviet-U.S. relations may take today, it remains a fact that the U.S. military-political leadership still assigns a key role to the Navy in the implementation of its strategic plans. Events in the Persian Gulf showed that theoretical concepts are energetically put into practice and "run in" in the conditions of real wars and conflicts in the present decade. There is no doubt that the Gulf war will give impetus to the further qualitative development of the armed forces of the United States and its allies, including naval forces, and in the coming years we will see an attempt to establish undivided U.S. naval domination in the world's oceans.

Even today, in the ocean theaters, we confront a coalition of traditionally strong maritime states which regard naval forces as an all-purpose, mobile instrument of foreign policy in various regions of the world. The NATO navies' weapons are capable of covering—from regions of the Arctic, the Baltic and Mediterranean Seas, and the Indian and Pacific Oceans—our country's entire territory. And NATO's antisubmarine forces, which include more than 1,000 surface ships, submarines, and aircraft, as well as fixed facilities, can control 40 million square km of ocean.

This is the real, not imaginary, military-political situation surrounding us. And this simply has to be reckoned

with when decisions are made that concern the state of the USSR Navy and prospects for its development. It was observed long ago that a nation that does not possess a naval force or has lost it for some reason is at the same time deprived of a decisive voice in world processes, and also of confidence in its own independence and security. In our day that has a very topical ring to it.

As its 300th anniversary approaches the USSR Navy is the most all-purpose branch of the Armed Forces, capable of resolving tasks at sea, on land, and in the air. At the same time a peculiar feature of its further development consists in eliminating distortions in the balance of categories of naval forces that developed as a result of different—sometimes diametrically opposing—approaches to the development and application of the Navy on the part of top state leaders in various years. Unfortunately, superimposed on this task are the enormous difficulties our country has been experiencing for several years now. As a result resources for the shipbuilding program [korablestroitelnaya programma], the shipbuilding and modernization program [programma sudostroyeniya i modernizatsii], and the purchase of new aircraft equipment for naval aviation have been considerably reduced. Restrictions have also affected the financing of measures to develop the system of basing and the preparation of naval theaters. Efforts and resources must therefore be concentrated on the most urgent avenues. For instance, the development of shipborne fighter aviation. In the context of a defensive doctrine, when tasks of ensuring the naval forces' ability to stand up to combat come to the fore, aircraft-carrying cruisers will increase several times over the combat potential of naval formations.

After the completion of the last ships in the series, the building of large surface ships of the classes of the nuclear missile cruiser Kirov, the missile cruiser Slava, and the large antisubmarine ship Udaloy will stop. The basic types of large ships will be destroyers and multipurpose patrol ships. It is planned to reduce the range of classes [umensheniye tipazha] of submarines, which will make it possible to use more efficiently the appropriations for maintaining their combat readiness. In general, by the year 2000 there will be a reduction—considerable, in some cases—in the number of surface ships, submarines, and naval aircraft.

In short, many problems are facing the Navy. But they are not only our problems. And I would like to believe that realistic trends will prevail in our society's life, and defense decisions will be more carefully considered. In this context we believe that the preparations for the Navy's 300th annviersary create favorable conditions for telling the truth about the fleet, about its significance to the Fatherland's fate.

On 18 November 1989, by order of the commander in chief of the Navy, a jubilee commission was set up to prepare for the celebration of the 300th anniversary of the fatherland's fleet. I was instructed to head it. Similar structures were set up in 1990 in the various fleets, the Caspian Flotilla, and at the Leningrad naval base. The basic guidelines for the commission's work cover the study of topical problems of the Navy's history and publication of works on the history of the Russian and Soviet fleet, military-patriotic education of troops and Soviet youth, using the heroic feats of Russian and Soviet naval seamen as examples, and cooperation with state and public organizations, and with representatives of creative unions, the Culture Foundation, the all-Russian society for the protection of monuments of cultural history, and other organizations. We are also prepared to have working contacts with academic institutions, public organizations, and individual citizens of foreign states.

By the jubilee date it is proposed to have in good order the existing monuments and to establish new monuments and memorial tokens in honor of outstanding events and historic individuals, to reconstruct or restore individual architectural monuments with the assistance of local soviet organs and the public, tidy up the burial places of Russian and Soviet seamen on the territory of the USSR and abroad, and pay military homage to them. We also plan to hold meetings of historians and scientific and science and practical conferences of naval veterans and young people, organize creative competitions among professionals and amateur authors for the best work on a marine topic, and strengthen the material base of museums and archives.

We are not the only ones working in this area. The USSR Ministry of the Maritime Fleet and Ministry of the Shipbuilding Industry, the USSR Academy of Sciences, the All-Union V.I. Lenin Communist Youth League Central Committee, the Central Committee of the All-Union Society for the Promotion of the Army, Air Force, and Navy, and the All-Union Geographical Society of the USSR put forward an initiative on holding statewide festival events. I must say that the culture ministries of the USSR and RSFSR [Russian Soviet Federated Socialist Reopublic] and Mordovian ASSR [Autonomous Soviet Socialist Republic] and the relevant departments and administrations of oblast and city soviet ispolkoms in Leningrad, Yaroslavl, Nikolyaev, Voronezh, Arkhangelsk, Kherson, Pereslavl-Zalesskiy, Azov, and Taganrog have been very sympathetic.

An accord was reached with the RSFSR Writers' Union Board on a visit this year by prominent writers to the Black Sea and Baltic Fleets. At our request, the USSR Ministry of Communications is planning to publish postage stamps and envelopes devoted to the navy jubilee and also special cancellation stamps. The cancelation will take place at sea, in post offices temporarily opened on warships.

New exhibitions and mobile and permanent displays, including some for the personnel of ships on combat service and for display abroad, are being prepared at the Central Naval Museum and fleet museums.

There are plans to hold month-long festivals of mass defense work, demonstrations by naval cadets in small boats, promotion trips by ships with war and naval veterans and figures from the arts on board. There will be meetings between fleet and naval military councils and war, army, and navy veterans, and roundtables as well.

Since the start of preparations for the jubilee 15 movies have been shot at central studios alone. A full-length documentary chronicle entitled "Chapters of Naval Glory" [Stranitsy Morskoy Slavy] has been completed at the Leningrad Television and Movie Studio. In the very near future there are plans to make a movie on Admiral of the Soviet Fleet N.G. Kuznetsov, on the sea cadets of the Northern and Baltic Fleets, and others.

At the moment a large group of writers is working on the book *The Motherland's Navy, 1696-1996* [Flot Rodiny, 1696-1996]. In conjunction with the Military Literature Publishing House, people from our scientific research group are preparing the *Combat Annals of the Navy* [Boyevaya Letopis VMF] in four parts, covering the period from 1917 through 1945. Other works are in preparation.

But we must also talk about our problems. Money and materials are needed to restore the monuments, gravestones, and historic buildings and strengthen the museums' material base. Some, if not the greater part of these and other problems could be solved by the publication of a relevant government resolution. Indeed, the main thing for us is not a flashy 300th anniversary of the Navy, but the necessity and possibility of giving the present generations and of pereserving for future generations spiritual and material evidence of our great people's glorious military past.

Baltic Republics

Baltic Status at CSCE Meeting Discussed

Genscher Meets Baltic Ministers

LD2006203291 Vilnius Radio Vilnius Network in Lithuanian 1900 GMT 20 Jun 91

[Text] The Baltic News Agency reports that a news conference took place today in Berlin. German Foreign Minister Hans-Dietrich Genscher acquainted the correspondents with the results of the CSCE foreign ministers' meeting.

The Baltic problem was mentioned at the news conference. Genscher noted that after Albania joined the Helsinki process, all European states are now participants, but mentioned that the Baltic problem remains open and would be solved at the upcoming meetings of the Helsinki process.

After the news conference Genscher met with the Lithuanian, Latvian, and Estonian foreign ministers. This was the second meeting of the German and Baltic foreign ministers proposed by Genscher.

After the meeting Lithuanian Foreign Minster Algirdas Saudargas said, in an interview with the Baltic News Agency, that Genscher confirmed his belief that the participation of the Baltic ministers in the Berlin meeting was useful for solving the Baltic problem. Algirdas Saudargas stressed that the Baltic issue is at present an international one and, according to the minister, many delegations agree with this, with the exception of the Soviet delegation.

Minister Algirdas Saudargas and his deputy, Valdemaras Katkus, stressed the importance of a group to support the Baltic states which has recently been formed. As is known, this informal organization includes statesmen of various ranks representing 10 countries—Germany, the United States, Denmark, France, Great Britain, Iceland, Luxembourg, Norway, Poland, and Switzerland. The Baltic representatives discuss with them efforts to join the Helsinki process.

Lithuanian Deputy Foreign Minster Valdemaras Katkus confirmed the intention of the Baltic states to take part in the meeting of CSCE experts which will take place in Geneva in the first half of July.

The Baltic news correspondent reports that Lithuanian Foreign Minister Algirdas Saudargas will go from Berlin to Lichtenstein, where he will deliver a lecture on Lithuania in the Conservative Club. Then he will go to deliver lectures in London.

Baltic Ministers on CSCE

LD2006163491 Berlin ADN in German 1504 GMT 20 Jun 91

[Text] Berlin (ADN)—The foreign ministers of the Baltic Republics of Lithuania, Latvia, and Estonia have expressed their hope in Berlin that the CSCE process will back their striving for independence. After the CSCE foreign ministers' meeting, Estonian Foreign Minister Lennart Meri today stressed the view of the three republics that the region had never been a real part of the Soviet Union, but had been annexed by the Red Army in 1940. It was therefore not a purely Soviet problem but had to be internationalized. The three foreign ministers had come to the Berlin CSCE meeting for these reasons.

Lithuanian Foreign Minister Algirdas Saudargas said the process of democratization in the Baltics was just as unstoppable as the path to complete independence. It could now only be halted by force. At the same time he pointed out that there was still a danger of military coups.

Latvian Foreign Minister Janis Jurkans strongly emphasized that no nationality conflicts existed in these countries. There was merely a contradiciton between those who want an independent democratic state and those who stuck to the old structure.

The three ministers assessed France's support for their aims as a particularly important result of the Berlin CSCE meeting. Full CSCE membership for Latvia, Estonia, and Lithuania now depended on "Moscow's political intentions." So far membership had been thwarted by the Soviet veto.

Deputies Protest CSCE 'Discrimination'

LD2006111591 Vilnius Radio Vilnius Network in Lithuanian 0900 GMT 20 Jun 91

[Report by Vytas Usas from the Supreme Council in Vilnius]

[Excerpt] Copies of an appeal to the CSCE participants were circulated this morning among accredited journalists at the Supreme Council. This document has been signed by several deputies of the Supreme Councils of the Baltic states, including Lithuanian Supreme Council Deputy Jankelevich.

The appeal reads, I quote: Discrimination against ideological convictions and nationality is becoming the official course of the leadership of Lithuania, Latvia, and Estonia. Persecution for political motives is becoming more frequent. Today hundreds of thousands of citizens of these republics are becoming victims of these violations, unquote.

This is the spirit in which the entire text of the appeal has been written.

Aloizas Sakalas, chairman of the Supreme Council Mandate and Ethics Commission, described this document

this morning at the briefing as a crude violation of the ethics of a deputy. Deputy Jankelevich never raised this issue in the Lithuanian Supreme Council. It is doubtful that the other members of the Polish faction support these statements, because earlier they declared that they would adhere to the basic law of the Republic of Lithuania and would respect the territorial integrity of Lithuania.

It was also reported at the briefing that a letter protesting the arrival in Berlin of Kasperavicius, an announcer for occupied Lithuanian television, as a guest of the Soviet delegation was also circulated among Berlin conference participants by the emigre organizations of the Baltic states.

Unfortunately, neither the post held by Kasperavicius in the party apparatus nor his rank of KGB colonel has been noted in the letter. Incidentally, he is more willing to introduce himself in Berlin as a Lithuanian television journalist. [passage omitted]

Baker Cited on Baltic CSCE Status

OW2006042591 Moscow BALTFAX in English 1830 GMT 19 Jun91

[Following item transmitted via KYODO]

[Text] "The United States is for Baltic States becoming full members of the Conference on Security and Cooperation in Europe (CSCE)," the U.S. State Secretary James Baker said in Berlin on June 19 before meeting with the foreign ministers of Estonia, Latvia, and Lithuania. "As you know," Mr. Baker went on, "our position has always been that, so long as the territorial status of the Baltics remains unchanged, they should take part in the CSCE as official observers, not as guests of various delegations as they do now." Mr. Baker expressed regret that consensus had not been achieved on this point and promised that work on resolving the problem would proceed jointly with the representatives of the Baltics.

Estonia's Savisaar on Relationship With KGB

LD2006191391 Tallinn Radio Tallinn Network in Estonian 1700 GMT 18 Jun 91

[Excerpts] Today's plenary session of the Estonian Supreme Soviet held a government and Estonian bank information hour. Most of the time at the session, Edgar Savisaar, leader of the republican government, answered people's deputies' questions. [passage omitted] Juri Pold and Mart Laar asked a question about the work of the Estonian branch of the USSR State Security Committee. Edgar Savisaar said that in principle the government's relations with this organization have not yet been regulated. A political not an administrative solution is needed here. The Security Committee does not take part in the work of the government, but in the current political situation its liquidation is not likely. The Security Committee is viewed as a unit or a squad of the Soviet Army.

Estonian Soviet Discusses Land Ownership Reform

LD2006190591 Tallinn Radio Tallinn Network in Estonian 0900 GMT 20 Jun 91

[Excerpts] The [Estonian] Supreme Soviet has been working since 1000 today here at Toompea Palace. Before the working day started a war veterans' rally was held in the palace square. There was a demand was made that war veterans be taken care of according to USSR laws. Other demands were also made, as always at such sharp and explosive rallies.

The Supreme Soviet, however, worked calmly in the hall of Toompea Palace, and soon made an important decision. This concerns the resolution on implementing the ownership reform law. Kaido Kama, chairman of the Ownership and Land Reform Commission, was again at the rostrum today, and presented different opinions regarding individual provisions of the draft. Now that the document has been adopted, it carries the force of law, and the people are interested about how the whole mechanism will be put into motion.

[Begin recording] [Kama] [passage omitted] The present time frame seems something like this: claims are already being accepted for the return of former property or for compensation—I believe that in the near future the press will clarify the procedure and conditions for the claims—and such claims will be accepted until 28 December this year. This will be immediately followed by a register of properties and owners being drawn up, with the actual return and compensation likely to begin in the spring of next year. [passage omitted] [end recording]

Estonian Minister on Steps To Strengthen Border

LD2006173691 Tallinn Radio Tallinn Network in Estonian 1700 GMT 19 Jun 91

[Excerpts] [Correspondent Gunnar Paal] Today's Supreme Soviet session began with [Supreme Soviet Chairman] Arnold Ruutel speaking calmly and in a reasoned manner about the present tense political situation. [passage omitted]

Minister of State Raivo Vare has said that an important document was adopted today, enablings us to use the force of the law to ensure order at the economic border of the Republic of Estonia.

[Begin recording] [Vare] Indeed, a law was adopted at its second reading, with 57 votes. According to this law, administrative responsibility will be introduced for any infringements of rules on exporting objects of material value. [passage omitted] The main aspects of the new law are as follows: An individual as well as juridical entity—I will emphasize that it does not matter what kind of juridical entity—arriving at the border to try his luck and see whether he gets through or not to export goods unlawfully, will have his goods seized and confiscated on the spot. They will be sold in the district or town where

the goods were detained. The income obtained will be divided among the state budget, the local budget, and customs. [passage omitted]

[Paal] We are aware of the tense situation not only at the Estonian economic border but also in Latvia and Lithuania. One cannot keep order with a barrier and a wand alone.

[Vare] That is so; at the same time I think that the border is not the place where political conflicts should be resolved. [passage omitted] At present, of course, the main thing is that one should be able to record any attacks visually—visually with sound. If we succeed in that it will be quite another story for us. Naturally, it would be good to hear the opinion of the minister of internal affairs. He is about to return with his Baltic colleagues, from a discussion with Pugo on this very issue. [passage omitted] [end recording]

Landsbergis Meets Mitterrand, Cresson in Paris

LD2006220891 Vilnius Radio Vilnius in English 2130 GMT 20 Jun 91

[Text] Today the Lithuanian parliamentary leader Vytautas Landsbergis, who is on a visit to Paris, met with the French President Francois Mitterrand and Prime Minister Edith Cresson.

Before leaving for Paris yesterday the Lithuanian parliamentary leader met in Moscow with Ruslan Khasbulatov, deputy chairman of the Russian parliament. The Lithuanian-Russian agreement was discussed and its positive political aspects pointed out. The agreement is expected to be signed this summer.

Lithuanian Party Power Struggle Outlined

LD2006151191 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 18 Jun 91

[Text] The activities of the CPSU subunit in Lithuania are covered by a shroud of secrecy. This organization has become especially clandestine after the tragic events on 13 January. Practically no information penetrates the walls of the white building on Gediminas prospect in Vilnius [Lithuanian Communist Party Central Committee building]; large-scale assemblies and conferences are not taking place. The plans for the activity of the Communist Party are set up and coordinated in the quiet of several rooms. Even rank-and-file functionaries of the Lithuanian Communist Party do not know about them.

However, a journalist from the newspaper LIETUVOS RYTAS managed to talk to a responsible official at the Communist Party's Central Committee. For quite obvious reasons the official wished to remain anonymous. According to the LIETUVOS RYTAS interlocutor, a quiet but fierce battle for power is currently taking place in the top ranks of the Lithuanian Communist Party.

The article is entitled: The Reanimation of the Brontosaurus. It is read by Roma Pakeniene.

[Pakeniene] More than half a year ago at the initiative of Shenin, secretary of the CPSU Central Committee, a small group within the Lithuanian Communist Party was gathered which fully supported Gorbachev's political course. The main person in this group was General Naudziunas who had been transferred from the Baykonur Cosmodrome to Lithuania.

It was decided that the current leadership of the Lithuanian Communist Party was unpopular and had no support. After the Communist Party split, the Lithuanian Democratic Labor Party was set up on the foundation of the Lithuanian Communist Party, the activity of the remaining Communist Party had aquired a distinct orthodox character. Despite the fact that in comparison with other parties the Lithuanian Communist Party had a considerable number of members, it became clear that it could not lead the campaign for power by parliamentary means. A plan was devised to modernize, in other words, save the Lithuanian Communist Party. One of the points of this plan was to replace the Communist Party leadership.

However, this was hampered by a new regulation by which party First Secretary Burokevicius was elected a member of the CPSU Central Committee Politburo.

By the way, during the latest CPSU Central Committee plenum the Lithuanian Communist Party delegation was against Gorbachev and although they did not advertise it publicly they were determined to demand that Gorbachev resign from top party and state posts. It was then that Shenin, a party functionary in Moscow, gave instructions to Naudziunas to prepare to replace the leadership of the Lithuanian Communist Party.

The LIETUVOS RYTAS interlocutor maintained that only several people at the Lithuanian Communist Party Central Committee knew about this plan. General Naudziunas was responsible for carrying out the plan and Toliautas, a party activist, was a direct executor of the plan. A group of seven people was set up which mostly consisted of the party rayon secretaries and it was named the Communist Faction for Democracy. The interlocutor maintained that neither Burokevicius, Shved, nor Kasperavicius, the top-ranking officials of the party, knew about this group.

During the first stage, the objective was to show to the people of the republic that there were broad-minded members in the Lithuanian Communist Party as well who stood for the independence of Lithuania. It was thought that around September, already having achieved a majority in the Central Committee, they would then convene a plenum and replace the leadership of the party.

The aims of this action were first of all to get out of the impasse in which the party found itself; next, after

having demonstrated a shift to the left wing, the Lithuanian Communist Party would register in the republic; and, after a wide-range agitation and propaganda campaign, the party would attempt to win back real political power.

The LIETUVOS RYTAS interlocutor stressed once again that everything was done with Moscow's blessing.

The new Lithuanian Communist Party leadership should be the following: General Naudziunas, first secretary, colonel Kasperavcius, second secretary responsible for the organisational work, and Toliautas would become secretary for ideology. Two or three vacant secretarial posts were left for the representatives of national minorities. It was planned to employ Burokevicius, Shved, Kuolelis, and Jermolavicius in a newly set up group of consultants.

Today the details of this plan have become clear, yet at that time it reminded one of a mysterious detective story with a great number of unknown quantities. However, it turned out that it was not all that easy to implement this plan.

There is no knowing where the information came from that was put into one sentence in the newspaper RESPUBLIKA about the first meeting of the faction. This caused real confusion among the organizers of the faction. Later, an interview with a certain Petraitis apepared in the newspaper LIETUVOS AIDAS who later turned out to be first secretary of the Lithuanian Communist Party in Kelme rayon. The event was also commented on by the collaborationist newspaper TARYBU LIETUVA.

Therefore, although strict conspiracy was observed, the above action is no longer a secret at the Lithuanian Communist Party Central Committee building.

General Naudziunas and the party functionary Toliautas got into a rather awkward situation. It is said that behind the scenes they labelled all this as fiction by reactionary supporters of Landsbergis, allegedly aiming only to introduce a quarrel among Lithuanian party members. According to the opinion of the LIETUVOS RYTAS interlocutor whatever happens, Moscow's plans wil be fully implemented; whims of one or two people will be ignored. It is said that Burokevicius is already reconciled with this.

Of course, Moscow is rather interested in preserving the CPSU subunit in Lithuania: life preservers are thrown, financial injections are made, so perhaps the face of the Lithuanian Communist Party will change too.

However, it is evident that these efforts are in vain. This party has no future in Lithuania, the correspondent of LIETUVOS RYTAS concludes the article.

RSFSR

Yeltsin Win Spells Decline for Supreme Soviet

PM2006134191 Moscow ROSSIYSKAYA GAZETA in Russian 18 Jun 91 p 1

[Vladimir Kuznechevskiy commentary: "New Power's Potential"]

[Text] So the first president of Russia is Boris Yeltsin. The very same Boris Yeltsin who on 10 November 1987 was relieved of all his posts and positions by a Moscow CPSU City Committee Plenum presided over by Mikhail Gorbachev and Yegor Ligachev. The very same Yeltsin who was told by Gorbachev in a telephone conversation in November that year: "We will now choose quite a good position for you. You will not be quite well off. But you will no longer engage in political activities—you can forget it."

The president of Russia is a man whose very personality, solely by virtue of his inherent qualities, draws a line under the whole historical period of our mother country's post-October (Soviet) development. Very many knots in the political, economic, and social life (I would also like to hope in the cultural life) of the Russian Federation and the Union are now being untied, and, conversely, many are being tied. Let us recall that, in the period of the Great Depression of 1929-1933 in the United States, with the arrival of Franklin Delano Roosevelt in the post of president the center of power started to shift from legislative organs to executive structures, which enabled the United States to emerge from the deepest crisis in its history in just a few years. If the analogy is correct, exactly the same possibilities are now opening up before us.

Executive power in the Russian Federation must immediately and sharply begin to be infused with a qualitatively new substance. The RSFSR [Russian Soviet Federated Socialist Republic] parliament is automatically switching to a different mode of existence and functioning—it must retain only legislative and control functions. This process promises to be extremely complex.

First, parliamentarians themselves will have to get used to the new mode. Second, the RSFSR Supreme Soviet will have to become the main opponent of the presidential system of power by virtue of the very logic of its functioning. Third, delimitation will have to take place within parliament itself as early as this year, 1991. Under the strong pressure put on parliament by the presidential system of power, the numerous small groups and factions must gradually disappear from it (and effectively lose their importance) and two centers of gravity for political forces must be formed—theoretically, the "Communists of Russia" and "Democratic Russia" groups.

Nikolay Ryzhkov's crushing defeat in the presidential election is bound to cause a chain reaction of collapse in the conservative forces' camp. It is to be expected in the very near future that whole social strata will start leaving

the CPSU and Russian Communist Party in droves. They will not necessarily join Aleksandr Rutskoy's political movement. But the RSFSR Communist Party Central Committee's social base will decrease at a rate this party has not previously experienced.

That is not all. On 12 June the Union center—in its old traditional meaning—"slimmed" by at least 50 percent, because the summit of political life was scaled not only by Boris Yeltsin with his views, position, and character; it was scaled by a truly sovereign Russian Federation, which is immeasurably more important. This fact infuses the Novo Ogarevo agreement of 23 April with real and not merely formal substance. What so greatly worried the USSR Supreme Soviet after the Nine plus One joint declaration, namely the personal fate of Union-level parliamentarians, has acquired the character of an irreversibly directed process. The USSR Supreme Soviet in its former capacity, with all the legislative acts it adopted in such quantity and is still adopting out of inertia, will start to gradually fade into history very soon and its activities will soon be of interest to academics but not to practical people.

We are all entering a new epoch. God grant that it is not as dramatic for each of us as the one we are leaving behind.

Yeltsin Cited in Defense of Nine Plus One

PM1906135191 Moscow KRASNAYA ZVEZDA in Russian 15 Jun 91 First Edition p 1

["Seven Days" article by Vyacheslav Lukashevich, including preelection Yeltsin answer to question from KRASNAYA ZVEZDA editorial board; date, place of this "interview" not stated: "Silence: Work In Progress!"]

[Text] A question which occupies the minds of political scientists and commentators today—a question which, though perhaps of secondary importance, is nevertheless topical, is: Will Novo-Ogarevo become the new capital of the new Union? Of course, it is not so much a matter of the actual village outside Moscow itself, you understand, as what is going on there, what is happening there behind closed doors.

It would appear that the first report to appear in the press—bypassing the Kremlin—back in April was not assessed as historic in political circles. Wrongly, it turns out. The declaration signed by nine republic leaders and the USSR president which has been given the formulation Nine plus One was, in my view, assessed as "routine." It was still difficult at that time to suppose that this decision of the "ten" would be the Rubicon whose crossing would mark the beginning of the abatement of confrontation and opposition, and the timid lights of civil concord beginning to glimmer up ahead.

But the June meeting in Novo-Ogarevo gave fresh hope. The most important thing, perhaps, was that we were all convinced: Constructive work is under way on the creation of a renewed Union; a dialogue is being conducted with the republics. It was stipulated in unambiguous terms: WHAT kind of state it will be and HOW [caps as published] we intend to construct it. Yes, it will be a federation. The Union of Soviet Sovereign Republics. As before, the USSR. But the name no longer expresses an ideological task. Perhaps it is possible to agree with this. After all, the United States does not call itself the United Capitalist States of America. The principles of unification are voluntariness and equality. So far, as we know, nine republics have shown themselves willing to unite, whereas the Baltic republics and Georgia, Armenia, and Moldova have not. But the doors into the renewed common home are not closed to them, as is stipulated and reaffirmed in the agreement among the participants of the Novo-Ogarevo process.

The latest session outside Moscow was held 3 June. Its participants finally finished preparing the new draft Union treaty—a document as necessary as it is compromised in character. After all, any treaty is a system of concessions. It virtually removes the disagreements between the center and the republics. USSR presidential adviser G. Revenko, inviting journalists from the central newspapers to the "promotion" of this text the other day, stressed at the same time that the Novo-Ogarevo process will possibly not end even when the Union treaty has been signed, since that will not exhaust all the tasks of the drafting commission.

Among the 26 articles of the draft treaty, which will apparently soon be published, two articles (Nos. 5 and 6) delimit the powers of the center. To the Union's jurisdiction are assigned: the protection of the country's sovereignty and territorial integrity, defense, the maintenance of state security, foreign policy and foreign economic activity, space, atomic power, higher constitutional control, coordination of law-enforcement organs, and certain other statewide functions.

The new Union treaty will in all probability be signed in the next two months. The text of the treaty has already been passed to the republics for discussion at their Supreme Soviet sessions. The Belorussian parliament, for example, has already approved it.

It goes without saying that there cannot be 100-percent guarantees that everything will happen as has been stipulated at the highest republic and Union levels. But things have gotten moving, there is definite clarity, there is a goal, and there is movement forward. However, the elaboration and signing of the new treaty are provoking strong antipathy from certain political forces. Here, for example, is how USSR People's Deputy Ye. Kogan, the well-known International Movement figure in Estonia, assesses the Novo-Ogarevo accords on the pages of MOSKOVSKIYE NOVOSTI. The USSR president and the leaders of the nine republics, he writes, "have reached an agreement—behind the back of the highest organ of USSR power and in violation of the Constitution and the laws of the country—to overthrow and dissolve the Congress of USSR People's Deputies, which was elected by the people for a term of five years, and to

repeal the current Constitution. In signing this declaration, M. Gorbachev has lost the right to the USSR presidency, because there are 15 republics in our federation. The joint statement is a capitulation to the separatists. If this were to happen in the FRG or the United States, the president would be immediately removed from his post and put on trial...."

Explaining this "very far from straightforward question"—the fate of the country's Supreme Soviet and Congress of People's Deputies—G. Revenko said that "the republics must not be turned into stage extras; they are the leading actors in the formation of the Union. But the drafting committee must account for itself before the Congress of Peoples' Deputies." Grigoriy Ivanovich thinks that the whole process of forming the new Union can be completed only around 1993, when the present deputies' terms will have expired. However that may be, the country's parliament has "sounded the alarm bell," and not only through Kogan.

But what was to be done, tell me, seeing that the USSR Supreme Soviet was unable to counteract the country's collapse and that, had the republics themselves lost any more time, then perhaps it would have been impossible to bring even nine of them together under one roof. Here I would like to have recourse to a certain idea expressed by Kazakh President N. Nazarbayev in his book *No Right or Left* [Bez Pravykh i Levykh]: "The revival of true state sovereignty for the republics is the basis on which the renewal of the Union must take place. But this does not mean that our republics cannot have federal relations. How can there be absolute state autonomy, seeing that we are talking about an indivisible economic space and the need to preserve a single army as the pledge of our common security?"

It must be remembered that Kazakhstan came forward as one of the first initiators of the active and immediate signing of the Union Treaty. Indeed, the president of the republic himself did much to bring about the mutual understanding among the "nine." Though the other republics, too, including Russia, as the cornerstone of Union statehood, made a large contribution to the achievement of the Novo-Ogarevo accords.

The following fact also testifies to the topicality and prospects of these decisions. After the signing of the Nine plus One declaration there were 13 republics supporting the Union Cabinet of Ministers' anticrisis plan. I think that readers would not be uninterested to know the opinion of B.N. Yeltsin on this subject, which he gave while answering the editors' questions before the election. (Incidentally, this interview did not see the light of day exclusively because Boris Nikolayevich's answers to our questions were passed to our editorial offices too late, when there remained in effect just one issue of the newspaper before the RSFSR [Russian Soviet Federated Socialist Republic] presidential election.)

[KRASNAYA ZVEZDA] We would like to have your opinion on the "fifteen minus two" economic formula, in which all the republics except for Georgia and Estonia supported the Union Government's anticrisis program. After all, so much criticism had been heard of this program!

[Yeltsin] Indeed, the criticism of the cabinet's program was tough. But it was not criticism for the sake of criticism, toughness for the sake of toughness. We did not only or so much castigate; we made suggestions, and that is the main thing. We are profoundly concerned as to what policy the country's leadership and the Cabinet of Ministers will conduct.

...But the times have obviously changed drastically. It is now impossible to haughtily rebuff the republics' opinion. For the first time in recent years proposals submitted, as before, by the republics, including Russia, were heard. The Cabinet of Ministers took a step that had been unthinkable only recently—it waived its former style of sending down directives to the republics, as if to vassals, directives which they had to fulfill even despite their own interests, the interests of their peoples. On the contrary, the version of the program which we supported is based on a fundamentally different approach. The republics' contributions, their proposals for carrying out reforms are taken as a working basis, and the version is as it were coordinated to produce an interrepublic program, to cover the country's single economic space. And there is nothing surprising in the fact that this program met with support even from those republics which have decided not to sign the Union treaty. Their economic interest in one another turned out to be extremely powerful....

It has taken almost a year to do what could and should have been carried out last fall. Then it would have been not a "fifteen minus two" but a "fifteen minus zero" agreement, not "nine plus one" but "fifteen plus one." But if we had not reached an agreement today either, then we would have lost even the "fifteen minus two" option, and we would have been right back at square one. [Yeltsin ends]

Possibly, when readers have familiarized themselves with the text of the new draft treaty, they will have some questions. Naturally we are finding it difficult to get used to the new approaches and views; the burden of old, seemingly immutable stereotypes still prevails. Nor can a feeling of deadlock be ruled out. For instance, what will happen if a treaty is signed with two Unions: one—of the nine republics, the other—the old Union, including the republics left beyond the pale of the new state?

A way out of such deadlock situations can only be found in the constant, single-minded, coordinated work of all the republics. This is beyond question. This is the work that is continuing in Novo-Ogarevo.

In these times, when election passions have abated in Russia, when some bases have been found for improving our state structure and paths have been plotted, albeit so far only narrow ones, leading to a way out of the economic crisis, one would like to hang up over the

country not the placard of dissension and confrontation, but a call to calm and common sense. Maybe even the one which once was emblazoned in the KRASNAYA ZVEZDA editorial offices: "Please Do Not Make a Noise: Work in Progress!"

And a last point. In the previous "Seven Days," citing a quotation describing the presidential election in Georgia, I mistakenly referred to UPI instead of AP. I offer the American correspondent of that agency my apologies.

Gorbachev Criticized for Belittling Yeltsin Win

PM2006080591 Moscow ROSSIYSKAYA GAZETA in Russian 18 Jun 91 p 1

[Political observer Igor Korolkov commentary: "Why Is This Happening? Is Gorbachev Doubting the Authority of the RSFSR, Russian Soviet Federated Socialist Republic, President?]

[Text] If there was anything I did not expect, it was the speech by USSR President M. Gorbachev. Or rather, I did not expect **such** a speech. In an interview with the Central Television and Radio Broadcasting Company last Saturday [15 June] he expressed the thought that the president of Russia does not represent the interests of the whole people. He calculated that 25 million voters did not take part in the voting and several million gave their votes to the five other candidates, and it emerges that only 60 out of 104 million people voted for him, Yeltsin.

Such arithmetic sounds extremely strange coming from the country's president. Surely he knows that not a single president in the world is elevated to high office by all 100 percent of the electorate?

And who is Mikhail Sergeyevich to talk about authority?

Yeltsin achieved indisputable success in the election. Contrary to many forecasts, he became president in the very first round. He won an impressive victory despite the fact that efforts were made to split the electorate's votes.

Gorbachev has attempted to belittle this success.

It would seem to have been an occasion for saying wise words about unity between fellow countrymen and the need to support the president of Russia in an hour of need and rally around him, to jointly deliver Russia from economic chaos. But he did not say this. Although he called for consolidation, it sounded more like a ready-made political phrase than a call coming from the heart and the mind. Gorbachev used a device as ancient as the world itself: He sowed doubt and at the same time seemingly urged that no attention should be paid to it. Not consolidation but disruption is achieved by such methods.

Yeltsin is often reproached for "clashing with the center," "destabilizing the situation," or "introducing a split." He is accused of things that actually never happened at all. Much is hidden from my and your eyes in the political sea, and it is not always possible to discover where and how a lie is born, or who is actually at the wheel and where they are steering. Only sometimes can a submarine's whereabouts be determined, as by a surfacing submarine's periscope or an oil leak spreading over the water, just as it is sometimes possible to find out a politician's true intentions and see his true face by a phrase he accidentally lets slip or by an unguarded statement by him. The oil spill that revealed Gorbachev's true self was his interview.

Of course, today the USSR president's situation is not an easy one: His age-old opponent has acquired more political clout than he has. And this is despite the efforts over many years to remove him from the political scene. It is, you will agree, hard to stomach. So here is what Gorbachev exclaimed in temper: "Why Is This Happening?!"

Communists Should Learn From RSFSR Elections

PM2006112891 Moscow IZVESTIYA in Russian 20 Jun 91 Union Edition p 1

[Valeriy Vyzhutovich "Political Diary" article: "Our Choice and Ourselves"]

[Text] In the pages of the newspapers that are devoted to international news, it has long been common to read reports saying: "In such-and-such a country the discussion of the election results continues...." That is to say, the success of the victor and the party he represents is being carefully and comprehensively studied, reasons for the defeat of other political forces are being examined, and predictions are being made. These discussions, reflecting the widest possible spectrum of public views and opinions, sometimes last for months. Is it just that they do things differently over there? No, this stems from society's healthy demand for self-knowledge, the continuing lessons in politics and economics that a country simply must learn from events on such a scale.

The results of the Russian presidential elections, although they were comparatively predictable, made a strong impression, perhaps even coming as a shock to some people. The democrats' total victory looks particularly convincing if you take into account that during their year in power in Russia, Moscow, and Leningrad, the country has slid disastrously toward crisis. But the voting showed clearly that the people have grasped the reasons for this crisis, and know who is responsible and to what extent.

Now the second result. Of the six candidates for the post of president, four represented the Communist Party, although they were not officially nominated by it. In Moscow, they could not manage to collect even 20 percent of the vote between them. However you look at it, whatever factors you cite by way of justification, this is a defeat. So you would think that the most logical, natural, and necessary thing for the party now would be a serious and sober assessment of its own program and

actions. But no, the first reaction was to publish commentaries and articles belittling Yeltsin's victory in every way: The date of the publication of the official results—22 June—was "most unsuitable for congratulations and victory speeches" [being the anniversary of the outbreak of war]; only 70 percent of those registered voted; there is no guarantee that some people did not vote two or three times....

Why did the CPSU not officially nominate a candidate? I ask that question with no fear of contradiction, because even Ryzhkov, when voters asked outright whether he represents the party of Communists (and the Russian Communist Party supported him), replied in the negative. The fact that the party has not recently produced a single brilliant new politician enjoying the people's confidence and capable of laying claim to the highest state post seems self-evident. But even that is not much of an explanation, since this fact itself needs explaining. And the explanation, in my view is this: New leaders are brought to the surface by new ideas that society perceives as a serious political gain. Alas, the party has not produced any new ideas, other than vows of loyalty to the old ideas that are current only among the apparatus. But claims to the leading role persist, and are even increasing. This role, people try to convince us, is acknowledged by the people themselves. "The mind of the working person," PRAVDA writes in a recent issue, "remains inclined toward socialist values. Despite the fact that the CPSU's prestige has... declined, the majority of workers see no real political force other than the CPSU that is capable of extricating the country from the crisis."

Once again, in the people's name. "The people demand an end to the selling off of the Fatherland," "the people do not want the privatization of state property," "the people are opposed to free enterprise," "the people call for a return to the standards of 1985...." To say this without the risk of being proved wrong by the results of an all-Russian referendum (and what were these elections, if not a referendum on the vital issues of our future existence?), to say this in the pages of the party press, on Central Television, and from the parliamentary platform, was possible only prior to 12 June.

Let us ask ourselves: What if the ex-premier [Ryzhkov] had become president of Russia? His return to politics, without any doubt, would have been welcomed by forces in opposition to Gorbachev. In practice it would have meant the death of the Novo-Ogarevo process and a drastic curb on all economic reforms, including the most important—land reform. There would have been a revanche, an idea that could be heard in the election programs of Makashov and of Ryzhkov himself, and which to this day has a grip on the minds of those who back them. This idea is not only futile, but dangerous since it does not lead to consensus, but only exacerbates the breakdown of society.

But the urge for political resurrection is a noble thing in itself, if only the means used were noble. The organizers of Ryzhkov's election campaign were obviously nervous, they clearly wanted the outcome to be predetermined in his favor. Newspaper interviews with Nikolay Ivanovich, verbal portraits of him and his family, television panegyrics—fine, the democratic Russian press and television campaigned equally glibly for Yeltsin. But reports of a different kind are also arriving from various cities and rayons. For instance, a plant director assembles the collective for a briefing: "Unless the plant signs up for Ryzhkov, we will have no bricks, we will be left without housing."

Regaining power at all costs, in order to hold on to it at all costs, is possible only in a totalitarian society. In a democratic society, respect cannot be won by coercion.

If the outcome of the Yeltsin-Ryzhkov confrontation could have been predicted, the sensation of the elections was what sports commentators would call the "bronze" place for Vladimir Zhirinovskiy, which was destined, according to numerous predictions, for Vadim Bakatin. But Bakatin comes in sixth, while Zhirinovskiy.... "This is a brilliant victory! If more time had been allowed for the election contest, instead of just 20 days, I would have been first, not third," he stated in a television interview, with characteristic self-confidence. In Volgograd Oblast's Yelanskiy Rayon he overtook all his rivals, Yeltsin included.

The Zhirinovskiy phenomenon will be studied in detail by political scientists and social psychologists. Let us note only the most obvious point: Political clowning, appeals to the crowd's darker instincts, exploitation of patriotic sentiments—all this, as you can see, is in demand, on a fairly large scale. Maybe you could describe Zhirinovskiy as the idol of the waiting lines. The waiting lines are overwrought, embittered, terribly tired. And ready for anything. That is serious, and therefore dangerous.

The reasons for Bakatin's lack of success probably lie partly in the fact that "moderate radicalism," commitment to common sense, and carefully considered judgments and opinions are not yet held in high esteem in our country; in mass emotion, the insatiable longing for extremes still has the upper hand. But the most important thing is that Bakatin was trespassing on a space occupied by another, more popular politician, whose democratic aspirations, first, are clearer and more sharply defined, and second, are already backed up by actions.

There is one other person who should be congratulated on the victory for Yeltsin and all the democratic forces in Moscow and Leningrad, one person for whom this victory, irrespective of his personal sympathies, is most necessary of all today. And that is Gorbachev. "I cannot conceive of the Union without Russia," he said on election day. "It simply cannot exist without Russia. But in just the same way, Russia needs the Union.... I see the task of the president and the new executive power in the Russian Federation as being to promote consensus in the

country and in the republic, advance radical reforms in the economy, move toward the market...."

Let us hope that our two most influential politicians will have the courage and will to overcome everything personal and recognize that Russia and the country need them both. And that we, too, have the wisdom and restraint not to jostle the Russian president from the left or the USSR president from the right.

The fact that it is Yeltsin who is taking up the post of Russian head of state does not mean only a personal victory for him. It is our common victory. Over age-old fears and prejudices. Over blind adherence to ideological dogmas. Over the power of those who claim the right to speak in the people's name. And over sullen obedience to destiny.

20 Jun RSFSR Supreme Soviet Proceedings Cited

LD2006210691

[Editorial Report] Moscow Central Television Second Program Network in Russian at 1842 GMT on 20 June broadcasts a 43-minute recording of proceedings at the Russian Soviet Federated Socialist Republic, RSFSR, Supreme Soviet session held in Moscow.

The recording begins with Vasiliy Alekseyevich Frolov, deputy chairman of the committee on questions of legality and the struggle against crime, outlining the current crime situation in the RSFSR and a two year program of the RSFSR Ministry of Internal Affairs designed to combat crime in 1991-92. He says that particular measures are aimed at dealing with young people, including their social rehabilitation. Organized crime and economic crime, including corruption, are also to be resisted, Frolov says, adding that law enforcement officers operating in this sphere may receive training abroad.

Frolov goes on to describe the catastrophic situation of the police regarding the supply of necessary equipment, comparing it with the position of police in the United States.

Deputy Zhenin asks how the fight against crime will actually be waged. Frolov talks about increased manpower. An unidentified deputy asks about the cost of the program. Frolov says he does not have the figures at hand.

At 1859 GMT a vote is taken and the draft program is not approved, since it requires further work. The vote on further work being carried out is 103 for, 32 against, and 19 abstentions.

At this point the recording of the morning session ends and the afternoon session begins with an unidentified deputy speaking about the clauses of a draft law on the rehabilitation of victims of political repression. Deputy Bezrukov asks whether the proposed payment of compensation to the victims of labor camps will not arouse the resentment of war veterans, who would be in a relatively worse material position.

At 1906 GMT the draft law on the rehabilitation of political repression victims is passed.

At 1907 GMT Deputy Anukhin, chairman of the Mass Media Committee, and Deputy Solovyev speak in support of the draft law on the media. The law on the media is passed.

At 1909 GMT Igor Khrekov interviews Deputy Podoprigora about details of the draft law on the privatization of housing. Podoprigora stresses that privately owned apartment are a sound financial investment.

Fight Against Crime Discussed

LD2006201991 Moscow All-Union Radio First Program Radio-1 Network in Russian 1400 GMT 20 Jun 91

[Text] The program for the fight against crime in the Russian Soviet Federated Socialist Republic [RSFSR] for the period 1991-1992 was the subject under discussion at the joint session of the chambers of the Russian parliament. Frolov, the deputy chairman of the committee for issues of legality, law and order and the fight against crime, in presenting this document to the deputies noted two stages relatively independent from each other: the aim of the first stage is to localize and neutralize the negative tendencies of the crime. The second stage envisages setting up in the coming year a system providing a reliable defense for citizens' interests as well as providing for their personal security, and the security of their property as well as stabilizing the situation.

By raising contributions from enterprises and organizations, the plan is to increase personnel for guard duties. The program includes a number of other measures. As was noted by deputies, it calls for a considerable amount of money. It takes little account of material-technical provision for the courts. It was resolved to send the document for more work to be done on it at the RSFSR Council of Ministers and then in committees and commissions.

In the afternoon, the deputies worked in separate sittings of the chambers.

Bill on Land Usage Payment Considered

LD2006213691 Moscow All-Union Radio First Program Radio-1 Network in Russian 1900 GMT 20 Jun 91

[Text] The Russian Soviet Federated Socialist Republic [RSFSR] Supreme Soviet, at separate sittings of the chambers, has started considering the first reading of a bill on payment for land. According to this bill absolutely everybody must pay for using the land: collective farms, state farms, farmers, lease-holders, owners of allotments and garden plots, town enterprises, organizations and establishments. The payment for the land will, of course,

depend on its quality, climatic conditions and remoteness from transport. All in all local soviets in the republic will be able to get approximately 36.6 billion rubles every year from land users. The final amount of the payment for the land will be established at the second reading of the bill.

Khasbulatov: 'Unified Russian State' Must Remain

PM2106104391 Moscow ROSSIYSKAYA GAZETA in Russian 20 Jun 91 p 1 Tentative

[RIA report under the "News" rubric: "Khasbulatov on Union Treaty"]

[Text] Ruslan Khasbulatov, first deputy chairman of the Russian Supreme Soviet, has described the work conducted in Novo-Ogarevo to prepare the draft of the new Union Treaty as "a major success." In an interview with an RIA correspondent he pointed out at the same time that a number of issues have not yet been coordinated in the elaborated document. It is a question of the problem of the Russian Federation's republics joining the Union, taxation matters, and areas of joint competence for the center and the republics. "However," the first deputy head of the Russian parliament believes, "all these problems can rapidly be resolved."

Khasbulatov pointed out that what were autonomous republics within the Russian Federation were at one stage geared up for absolute political equality with the Union republics. But "the Union republics opposed this," he stressed. "We have decided that with this approach the RSFSR [Russian Soviet Federated Socialist Republic] could collapse as a unified federative state. That is why, Khasbulatov said, "there is now an understanding that a unified Russian state must be preserved, otherwise there will be no Union."

Yeltsin Aide Views USSR's Political Development

PM1806155591 Moscow IAN PRESS RELEASE in English 13 Jun 91

[Interview with RSFSR People's Deputy Colonel General D. Volkogonov by F. Alekseyev; date, place not given; first paragraph is editorial introduction: "Yeltsin Adviser Interviewed by IAN"]

[Text] Colonel-General Dmitriy Volkogonov is a People's Deputy of the Russian Federation and the author of the book *The Triumph and Tragedy*, which explores the origins of Stalin's dictatorship. After being elected a People's Deputy, Volkogonov, who headed the Institute of War History for many years, retired and is currently serving as defence and security adviser to Boris Yeltsin. The General is interviewed here by IAN's Feliks Alekseyev.

IAN: How do you view the prevailing situation in the USSR?

Volkogonov: I think that the Soviet Union has entered a very difficult period of transition from a totalitarian, bureaucratic regime to a civilised and democratic society. The period will last 10-15 years.

Neither Mikhail Gorbachev nor Boris Yelstin can change the situation overnight with the help of a magic wand. The country has still not passed the lowest point of the crisis that has gripped it. We will evidently get through it, unless some destructive excesses take place in 1992. But we will stand firm on the road of civilised development by the beginning of the next century—at best.

IAN: Will the future society still be guided by socialist ideas?

Volkogonov: About the only topics discussed these days are socialism and capitalism: which path? All this reminds me of medieval scholastic debates, such as can the truth be put on the point of a needle? I regard talk about the capitalist and socialist systems as fruitless. These days, the image of a society and the road of its development are determined by the level of its civilisation, the efficiency of its economy and the reliability of social safety nets.

IAN: Do you hope to see a civilised society in the Soviet Union?

Volkogonov: Hope is always the last thing to go. I do hope that such universal human values as the truth, kindness and beauty will become accepted and will triumph in our country.

IAN: These days, the discussion seems to focus on the two leaders, Mikhail Gorbachev and Boris Yeltsin. Will new political figures appear on the Soviet political scene?

Volkogonov: You are right. Two major leaders, Gorbachev and Yeltsin, stand out on our political scene. Both of them, however, emerged from the old party system and seem to be transitional figures to me. The time will come when they will be replaced by people free from the fetters of old dogmas. The real future leaders are still at university.

Every current leader has his own strong and weak points. What attracts me in Yeltsin is his character and such an excellent quality as the striving to go on without stopping, to go on learning. His weak point is a certain spontaneity and ill-considered character of decisions. Unfortunately, you can observe a lack of firmness in President Gorbachev's character and an absence of a clear-cut strategy. He comes up with good ideas, but he does not know what should be done to implement them. I would say that Gorbachev will go down in history as a great reformer who failed to overcome many negative things. It would be wrong to assert that he destroyed the totalitarian system of management: he did not prevent it from destroying itself. And in doing so, he made a notable contribution to the perestroyka effort.

IAN: Do you see any link between the current processes in the Soviet Union and the logic of world history?

Volkogonov: I do, in a sense. All the empires, and there were quite a few of them in history, disintegrated in the end. The Russian Empire was one of them. The same fate is in store for the Soviet empire, which is in the period of disintegration. The special thing is that a union of free nations may take shape in its place.

The changes are now being spurred on by centrifugal tendencies. But I am confident that powerful centripetal forces will go into operation in five years' time or maybe even earlier. Even those Soviet republics, probably with the exception of the Baltic ones, which are now striving for independence will make a step toward rapprochement with the union. The faster we conclude a treaty of union and demonstrate the potential of our federative state,the sooner the influence of the centrifugal forces will begin to wane.

Integration processes are intensifying the world over. What we are seeing here is the striving for the opposite process of division and the definition of borders as if we were trying to turn back into the 19th century. This is fraught with a great danger. There is no doubt that it is essential to develop one's language and culture, to preserve one's national self-awareness. But one cannot cross a certain boundary whereby national values are placed above the universal human values. Here lies a threat not only to one's own people but to other peoples, too.

The Soviet Union resembles a pot—30 million families uniting people of diverse nationalities. Sixty million people live on the territory of other ethnic formations. It may well be said that history doomed us to living together.

IAN: On June 22 fifty years ago, Nazi German forces streamed into the Soviet Union. How do you appraise the results of the victory over fascism, a victory for which millions of lives were paid?

Volkogonov: The main result is simple. People fighting for a just cause, for freedom and independence are bound to encounter serious trials. But they always win in the end.

The second result. Totalitarian regimes—no matter in what form—are inevitably defeated. There is no future for such regimes.

Five decades ago we scored a just victory and Hitler's totalitarian regime was destroyed. But the world saw the consolidation of another totalitarian regime—that of Stalin. And still, the totalitarian regime created by Stalin could not be preserved in full. It is now slowly leaving the historical scene amid great difficulties.

There is one more result. In the face of mortal danger, the most diverse forces find a road to concord. Churchill and Stalin, Western democracies and the Soviet Union, were irreconcilable rivals. The imminent threat, however, made them pool their efforts.

Lessons of history should not be forgotten. Today, when our society is seeking a way out of the crisis with so much pain, it is essential to strive for compromise and concord between diverse groups. Many people in the Soviet Union are criticising the "nine plus one" agreement reached not so long ago and signed by the leaders of nine union republics and President Gorbachev. However, future historians may well say that it was one of the crucial moments when the country was coming out of the crisis. The first to breach the agreement will be the first to lose. But, in the end, all will stand to lose, too.

Leningrad Mayor Sobchak Speaks on Reforms

PM2006150791 Moscow PRAVDA in Russian 20 Jun 91 Second Edition p 5

[Report "Through TASS Channels" under the "Our People on Us" rubric: "Opinion for Export"]

[Text] Speaking at the Sorbonne, Leningrad Mayor A. Sobchak, who is visiting France, said in particular:

The reform process is encountering a host of problems in the USSR. The most difficult being the psychological problem. It was only last year that the multiparty system was legally enshrined. And we still have a long way to go before it is really brought into effect. The struggle between parties is only just beginning. There is no point at all in reducing it to confrontation between Mikhail Gorbachev and Boris Yeltsin. That plays the least significant role in the political struggle between the Communists in the Union leadership and the opposition democratic forces that have come to power in some republics. The confrontation in society will inevitably be overcome after the Russian presidential elections.

Land reform has always been the most important question for Russia, he continued. The Russian Government has embarked on this process. If it is completed successfully in two or three years, all other economic problems, including such a topical problem as economic demonopolization and denationalization, will also be resolved. Its resolution could be facilitated by the Soviet national economic complex's openness to the world economy. But, unfortunately, there is still a single channel for communications between the Soviet and Western economies—via the USSR Bank for Foreign Economic Activity.

A. Sobchak noted the inadmissibility of the emergent lag in economic reform behind political transformations in the USSR, something that is, in his view, "creating favorable conditions for certain political forces to play on the idea of national revival."

South Urals Miners Protest Closure

LD1906043791 Moscow TASS in English 1746 GMT 18 Jun 91

[By TASS correspondent Yevgeniy Tkachenko]

[Text] Chelyabinsk June 18 TASS—Ninety miners led by mine chief Boris Bespalko have completed their first day on a hunger strike in the 850 meter pit in the town of Karabash in south Urals.

The strikers, who said they would not leave the mine until their demands were met, are protesting against the decision to close down the mine as an ecologically harmful enterprise.

The situation arose owing to the irresponsibility of the federal government and the USSR Metallurgy Ministry, the strikers said.

City authorities went down the pit on Monday to try and talk the strikers to leave the mine and go to the surface to discuss ways out of the difficult situation.

Six years ago, the Soviet Government adopted a resolution ordering the reconstruction of the Karabash copper-smelting plant, notorious for polluting the environment with its effluent and discharges. It was to become an ecologically clean enterprise at the expense of subsidies from the ministry and the government. A profit-making ore-enriching factory and smelteries were shut down last year but no money has been received with which to start the reconstruction.

As a result the enterprise went bankrupt. The number of workers was cut by nearly one-third and two thousand people had to look for new jobs in other cities of the Urals and even Siberia.

Miners have not received any wages since May. The ore-extracting mine is on the verge of closure as the enterprise needs no ore in the circumstances.

"No arguments have helped," the regional executive committee's Deputy Chairman Aleksandr Kaunov said. "The striking miners demand that Soviet Metallurgy Minister Oleg Soskovets go down to meet them. A urgent telegram has been sent to the minister. We are worried about the state of the strikers' health which is endangered as sulphur is burning on one of the mine's floors and water used to accumulate in the mine even when its work pace was normal".

The leaders of the Chelyabinsk regional executive committee have sent an urgent telegram to Soviet Prime Minister Valentin Pavlov, asking for a prompt 16-million rouble subsidy to Karabash.

Poll Analyzes Moscow Audience of Russian TV

PM2006101591 Moscow ROSSIYSKAYA GAZETA in Russian 19 Jun 91 p 2

[Oleg Savelyev report: "Muscovites Choose Russian Television"]

[Text] The attitude of the capital's residents to Russian Television programs was ascertained during a mass sociological poll conducted at the end of May by the Moscow branch of the All-Union Center for the Study of Public Opinion. The structure of those polled coincides, in the main, with the composition of the city's adult population in terms of sex, age, education, and occupation. So the data obtained may with a large degree of authenticity be considered a reflection of the opinion of the residents of Moscow as a whole.

Precisely 26 percent of the Muscovites polled reported that they watch Russian Television programs every day, 20 percent three or four times a week, 30 percent once or twice a week, 21 percent know of its work but do not watch programs for various reasons, and just 3 percent know nothing about this.

Constant viewers of Russian Television are encountered 50 percent more frequently among the capital's residents who are more inclined to trust the "Democratic Russia" movement than among CPSU supporters. Steady viewers are distinguished by a relatively high level of education. There are almost twice as many among people with higher education than among those with incomplete secondary education. The largest number of constant devotees of Russian Television is among the middle-aged groups, and the smallest among young people. Specialists, servicemen, and middle- and lower-level leaders watch programs regularly, and employees without higher education, students, workers, pensioners, and housewives somewhat less often. A greater attachment to programs is characteristic of men: Among constant viewers there are one-fifth more men than women.

Relatively frequently adherents of the CPSU know nothing about the work of Russian Television or do know about it but for various reasons do not watch its programs, as is the case, on the whole, with either young or elderly people and those with a low educational level.

Thus, during the first three weeks of Russian Television's operation its programs attracted the attention of a considerable section of Muscovites. It is gratifying that this audience consists of persons of the most capable ages, educated and politically not indifferent.

Western Republics

Elections To Decide President of Belorussia

LD2006201791 Minsk Radio Minsk Network in Belorussian 1300 GMT 20 Jun 91

[Text] At the session of the Belorussian Soviet Socialist Republic [SSR] Supreme Soviet, Mikhail Rutkovskiy, our parliament correspondent, reports:

[Begin recording] [Rutkovskiy] The closer the fourth session of the republic's Supreme Soviet comes to its conclusion, the more obvious it becomes that our parliament does not always listen to the interests of the people. As is known, the demands of [words indistinct] and the strikes which took place this spring. Now, in the parliament, the discussion on introducing the post of president of the Belorussian SSR continues. In order to introduce

the post the Supreme Soviet has to make changes and amendments to the Belorussian SSR Constitution.

The deputies have conflicting opinions on this issue. Some speak for the introduction of a presidential post and others against. Some are for electing a president at the Supreme Soviet session and others are for nationwide elections. Is there, however, one person in our republic who could unite all the political forces and take society out of the economic crisis? [passage indistinct]

When it came to voting for the draft law on introducing the post of president in the Belorussian SSR, people's Deputy Zenon Pozdnyak stated that the opposition refuses to take part in the voting. Nevertheless the draft law was passed as a whole; 249 people's deputies took part in the voting. I have invited People's Deputy Anatoliy Lebyadko to the microphone. You said that if the people do not elect a president but he is approved at the Supreme Soviet session he will be an illegitimate son of the Belorussian people.

[Lebyadko] Yes, I confirm this. The discussion on whether a president is needed or not has on the whole been decided positively in the Supreme Soviet. The second question is the way of electing him. Taking into consideration the fact that our Supreme Soviet really is not very popular with the population, I think that I share with all of our commission the position that the elections must be nationwide. I think that the elections that will take place will give more [passage indistinct] naturally any vote of confidence from the people is out of the question. He will have to start his activity with rather unpopular measures. Just look at our finances; they are in a bad way. The economy is at the lowest level and, of course, rather strict measures will be necessary. Naturally, he has to secure himself with the support of the whole people.

[Rutkovskiy] More so that we now have the example of the election of the Russian president.

[Lebyadko] Quite right. I think that our people here will, will have to make the right choice.

[Rutkovskiy] I now invite to the microphone People's Deputy Vladimir Sidorovich Dazhinkov. You said that if we do not elect a president of the Belorussian SSR the opposition by its political instigation of the people could lead to a civil war. Is the opposition really so strong that only a president can tame its activity by his decrees?

[Dazhinkov] I do not say that it is so strong. But the situation is developing in this way and the April events speak for themselves. We should not underestimate the situation.

[Rutkovskiy] Vladimir Konstantinovich Levchik, chairman of the commission, stressed that the commission spoke clearly for nationwide elections of the first president. But there is an alternative. After that, voting by articles started. The parliament voted against electing the first president at a Belorussian SSR Supreme Soviet session. This means that he will be chosen in nationwide elections.

Belorussian Court Rejects Strike Demands

LD2006110591 Moscow TASS International Service in Russian 1550 GMT 18 Jun 91

[Text] Minsk, 18 June (BELTA-TASS)—By a majority vote, the Belorussian Supreme Soviet has rejected the demands of the republic's strike committees to remove party control from state enterprises and organizations, to depoliticize law-enforcement bodies, and to nationalize property of the CPSU-CPB [Communist Party of Belorussia]. The parliament deemed them to "contradict the Constitution of the Belorussian Soviet Socialist Republic, [SSR] the norms of international law and the norms of current legislation." The Belorussian SSR Procuracy and its local organizations have been instructed "to ensure supervision of the enforcement of the laws on the activities of political parties and other public associations by state enterprises, organizations and citizens, and also by political parties and public associations, and to bring to account, as established by the law, those who are guilty of violating them."

In a separate decision, demands to nationalize CPSU-CPB property were also regarded as "contradicting the Constitution and laws of the Belorussian SSR."

Anatoliy Malofeyev, leader of the Belorussian Communists and first secretary of the Central Committee of the Communist Party of Belorussia, who spoke at the session, noted that the property of the CPSU-CPB was not extensive—valued at just R101 million—and that it had been built up by many generations of Communists. Apart from that, the CPB received grants from the cash office of the CPSU Central Committee. Over the last 50 years, they had amounted to R143 million. Thus, the property of the CPSU-CPB was an all-party possession, and account had to be taken of that fact.

Ukraine's Kravchuk on Union Treaty Problems

LD1906154191 Kiev Radio Kiev in English 0000 GMT 19 Jun 91

[From the "Yesterday in parliament" program]

[Excerpt] [passage omitted] At the end of the evening sitting of parliament the chairman of the Supreme Soviet of Ukraine, Leonid Kravchuk, informed parliament on results of his trip to Moscow connected with work on the draft of the new union treaty. He said that working in Novo-Ogarevo near Moscow was the preparatory committee which elaborated the new union treaty, and it has already forwarded it for consideration to the supreme soviets of the republics. But this document already has some disputable aspects. This includes the structure and bodies of power of the union.

As for the name of the legislative bodies, it was decided that there should be a Supreme Soviet of the USSR which will be elected from districts and soviets of the republics, which will delegate its representatives from its Supreme Soviet [sentence as heard]. As for quotas, the Russian Federation will have 90 representatives in the USSR Supreme Soviet, and the Ukraine 15. But the republics will have only one vote. No agreement was reached on the issue of taxation. Thus the Russian Federation and Ukraine will have a one-channel system of taxation.

Leonid Kravchuk pointed out that no agreement was reached on the division of jurisdiction. Ukraine favors that there should be a two-level jurisdiction: the jurisdiction of the USSR and states which compose it. The jurisdiction of the union is carried out in accordance with union laws, and jurisdiction of the republics according to republic laws. As for joint jurisdiction, Leonid Kravchuk proposed that it should not be between the center and the states which compose it, but just between the states. If we are to have joint jurisdiction, said Leonid Kravchuk, we must work out legislation, normative acts, on the basis of which these joint jurisdictions could be carried out. So far they do not exist.

Dwelling on the system of relations between the states within the composition of the union, the chairman of the Soviet of Ukraine, Leonid Kravchuk, pointed out that they are regulated by the union treaty. Relations between the republics and autonomous regions which now have the status of republic should be regulated by treaties and constitutions of those states of which the republic belongs to. This was proposed by the former autonomous regions.

The issue on the Soviet of the Federation remained unsolved. It was agreed upon that the president of the USSR, Mikhail Gorbachev, will send a letter to the supreme soviets of the republics, proposing to discuss the new draft union treaty.

Replying to the question posed by the deputies on the possible secession of each union republic from the USSR, Leonid Kravchuk pointed out that there is a provision in the draft of the new union treaty which envisages this, but in line with the established provision of the treaty.

Tomorrow the session of the Ukrainian parliament will continue its work.

Roundup of Ukrainian Parliament Session

LD2006123191 Kiev Radio Kiev in English 0000 GMT 19 Jun 91

[Excerpts] We begin tonight's edition of Ukraine Today with a report on today's [18 June] sitting of Ukraine's parliament. [passage omitted] The deputies began discussing the draft law on investment activities in the first hearing. Volodymyr Borysovskyy, deputy of the USSR state minister on investment policy and building complex of the Ukrainian Soviet Socialist Republic [SSR], in particular said:

Investment activities on the territory of the republic can be conducted by the citizens and judicial personalities not only of the Ukrainian SSR, but from other republics and foreign states. All subjects of these activities, regardless of the form of property and management, are guaranteed equal rights. The state regulation and influence on the investment activities will be realized exclusively by economic methods. It is planned to make re-taxation system, taxation rate and privileges, a credit policy, anti-monopoly measures, rendering of financial assistance to investors, privatization of the state property, conditions of using land and other natural resources, said Volodymyr Borysovskyy.

Substantiating the need to adopt the republic law on investment activities, the deputy chairman of the commission of Ukraine's Supreme Soviet on economic reforms and management, Myhaylo Shvayka, said:

Our worker receives only 25 percent of what he earns, whereas workers in the developed countries receive from 70 to 80 percent. Under such conditions the center receives huge resources, which it spends on large-scale construction, that is dams, man-made seas, electric power stations, etc. This results in the loss of huge land area. Because of the unjust distribution of investment, Ukraine annually loses over 10 billion rubles. Only 10,000 rubles fall on every resident of Ukraine, while this index in the Russian Federation is 18,000. It is clear that we have all grounds to demand that a part of this money be returned to us. We can conduct our own investment policy and reintroduce our financial and monetary systems, first and foremost the minting of a national monetary unit. Only then we can protect our (?market). Only the availability of resources can improve the living standards of our nation by two- threefold, if we do not allow the center to do that for us, said Myhaylo Shvayka.

The draft law on investment activities was approved in the first reading and the Cabinet of Ministers was commissioned with finalizing and forwarding the document for approval of the Ukraine's Supreme Soviet.

Today parliament also discussed another important document: the draft law on all-Ukrainian and local referendums. Stated in the document is that referendums are a means of adopting by the citizens of Ukraine, by means of voting, laws of the republic and other solution of important issues of state and local significance. It is singled out in the draft law that the decisions and laws adopted by all-Ukrainian referendums have judicial force in relation to other legislative acts. They do not require any confirmation by state bodies, and can be abolished or replaced only in accordance with this law. Really important is the provision of the draft law to the effect that only the all-union referendum can decide issues pertaining to the realization of the right of nations

of Ukraine for self-determination and the membership of the Ukrainian SSR in state federative and confederative formations or secession from it. According to the draft law on all-Ukrainian and local referendums, citizens of the Ukraine who have turned 18 and permanently residing on the corresponding territory of the republic, of region, town, city district, settlement and village soviet can take part in the voting. [passage omitted]

The greatest part of the debate centered around the provision on the purpose of referendums of Ukraine's Supreme Soviet. Such referendums are to be held upon the demand of people's deputies of Ukraine who make up not less than one-third of the total composition, or upon the demand signed by not less than 1 million of the republic's citizens who have the right to take part in the referendum. Deputies proposed that referendums are to be called not by one-third, but by one-half of the parliament corps. With the majority of votes, the draft law was approved in the first hearing and put forward for finalizing.

[passage omitted] And at the end of the evening sitting the chairman of the Supreme Soviet of Ukraine, Leonid Kravchuk, informed parliament on results of his trip to Moscow connected with work on the draft of the new Union treaty. He said that working in Novo-Ogarevo near Moscow was the preparatory committee which elaborated the new Union treaty, and it has already forwarded it for consideration to the Supreme Soviets of the republics. But this document already has some disputable aspects. This includes the structure and bodies of power of the Union.

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Tomorrow the session of the Ukrainian parliament will continue its work.

Ukrainian Party Politburo Ponders Workers' Mood

PM2006130191 Moscow PRAVDA in Russian 17 Jun 91 Second Edition p 1

[Correspondent M. Odinets report: "Whose Side Are You on, Working People?"]

[Text] Kiev—The Ukrainian Communist Party Central Committee Politburo has discussed the question of the present state of and development trends in the republic workers movement. In view of the importance of the problems raised during the discussion, it seems worthwhile to recount them.

The nature of current political processes clearly show that the workers movement is becoming one of the most important factors substantially influencing the socioeconomic and sociopolitical situation in the Ukraine. The Politburo session said that workers now make up around 60 percent of all working people in the republic. Contradictory processes are going on among them. On the whole, the working class supported the policy of renewal launched by the party, especially at the initial stage. At the same time, the gap between declarations about the working class' leading role and suitable opportunities of realizing its interests is leading to a growing feeling of disillusion, mistrust of sociopolitical institutions, and alarm about the future. The distortions which have been allowed to occur in the development of the cooperative movement have heightened the working people's negative social mood.

Inconsistency in implementing economic and political reforms is preventing perceptible progress in overcoming the working class' alienation from ownership and power. It was noted with alarm that workers nowadays are extremely inadequately represented in the soviets of people's deputies (6 percent), and within the last two years around 140,000 workers have left the Ukrainian Communist Party. Party organizations have slackened

their work in industrial collectives and are losing their authority. Measures to democratize and renew trade unions were not taken in time.

The session participants said that the political forces in opposition to the Ukrainian Communist Party were able to exploit this. Skillfully speculating on the objective difficulties of perestroyka, the fall in working people's living standards, and the rise in national self-awareness, they actively strive to spread their ideological concepts among workers. The absence of a clear stance by party organizations and Communists in the trade unions on vital questions spurred workers into vigorous action. The opposition forces were quickly on the scene. They are seeking to escalate the strike movement, not pausing even in the face of the threat of total economic ruin. The speakers stressed that the opposition leaders' main aim is to bring the workers' strike movement under the control of anticommunist parties and use it as a kind of battering ram in the power struggle.

Study of the features of the present stage makes it possible to note the emergence of national-regional forms of the movement, which is typical of the republic's western oblasts: It was noted that the "radical right" wing of the workers movement is becoming markedly more active as a result of the miners' complex working, living, and everyday conditions. But the most essential point is that the great mass of workers (over half) has still not defined its place in the workers movement.

As far as the "radical right" wing is concerned, its position was described as frankly destructive. Its leaders issue appeals to departyize the state and law enforcement organs, to abolish party committees in enterprises, and to nationalize Ukrainian Communist Party property.

Thoughts were aired on the threat of strike committees uniting to form a new political party which would oppose the Ukrainian Communist Party. The specific organizational and political conditions for this already exist: They have the leaders, the appropriate structures, a political platform, and a social base.

Attention was drawn to the fact that "Rukh" [The Ukrainian People's Movement for Perestroyka] representatives are increasingly noticeably infiltrating strike and workers committees. In this connection mention was made of the republic conference of representatives from workers and strike committees held recently in Pavlograd, in which the leaders of "Rukh" and the Ukrainian Republican and Democratic Parties participated actively. The conference decided to hold a congress of the All-Ukrainian Association of Strike and Workers Committees in the second half of June in Kiev.

At the same time, the opinion was expressed that the influence of strike committees and anticommunist parties and movements on the working class should not be overestimated. In most cases, political demands are artificially introduced into labor collectives rather than emerging within them.

The tendency toward socialist values persists in the consciousness of the working class. Despite the diminishing authority of the CPSU and the Ukrainian Communist Party, the majority of workers can see no other real political force except the CPSU capable of extricating the country and the republic from the crisis.

The Ukrainian Communist Party Central Committee Politburo session told party organizations to strengthen their influence among workers environment and to really head the workers movement. It was recommended that valid demands and actions by the trade unions, their independence, and their autonomy be supported.

The discussion pointed to the need, in connection with the transition to the market, to revive on a qualitatively new basis the system of economic education and all mass-political work by Communists in labor collectives and to give fuller coverage to the workers movement's problems in the party media.

Well-known scientists and representatives of the republic's trade unions took part in the discussion.